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SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1916.

No. 58

ROCK SPRING DISTILLING COMPANY AND
SILAS ROSENFELD, PETITIONERS,

vs.

W. A. GAINES & COMPANY, RESPONDENT.

ON WRIT OF HABEAS CORPUS TO THE UNITED STATES CIRCUIT
COURT OF APPEALS FOR THE SIXTH CIRCUIT.

BRIEF FOR RESPONDENT.

EDMUND F. TRAFER,
DANIEL W. LANDREY,
JAMES L. HOPKINS,
Counsel for Respondent.

TRADE-MARK

W. A. GAINES & COMPANY.
STRAIGHT BOURBON AND RYE WHISKY.
APPLICATION FILED FEB. 28, 1909.

74,537.

Registered July 20, 1909.

Old Crow

Proprietor
W. A. Gaines & Company
by James L. Hopkins Atty.

UNITED STATES PATENT OFFICE.

W A GAINES & COMPANY, OF FRANKFORT, KENTUCKY.

TRADE-MARK FOR STRAIGHT BOURBON AND RYE WHISKY

No. 74,537

Statement and Declaration.

Registered July 20, 1909.

Application filed February 26, 1909. Serial No. 69,601.

STATEMENT.

To all whom it may concern.

Be it known that W. A. GAINES & COMPANY, a corporation duly organized, existing, and doing business under and by virtue of the laws of the State of Kentucky, and having its principal office and place of business in the city of Frankfort, in the county of Franklin, in said State of Kentucky, has adopted and used the trade-mark which consists of the words "Old Crow."

Said trademark has been continuously used in the business of ourselves and our predecessors since, to wit, January 1st, A. D. 1835.

The class of merchandise to which the trademark is appropriated is Class 49, Distilled alcoholic liquors and the particular description of goods comprised in said class upon which the said trademark is used is straight Bourbon and rye whisky.

The trademark is displayed on the packages containing said whisky by being imprinted upon labels, or stamped, printed or branded upon wooden containers.

[L. s.]

W. A. GAINES & COMPANY,
By EDSON BRADLEY,
Vice-President.

DECLARATION.

City of Washington District of Columbia. ss.

EDSON BRADLEY of lawful age being duly sworn deposes and says that he is the vice-president of the corporation (W. A. GAINES & COMPANY), the applicant named in the foregoing statement; that he believes the foregoing statement is true; that he believes said corporation is the owner of the trademark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has the right to use said trademark, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that said trademark is used by said

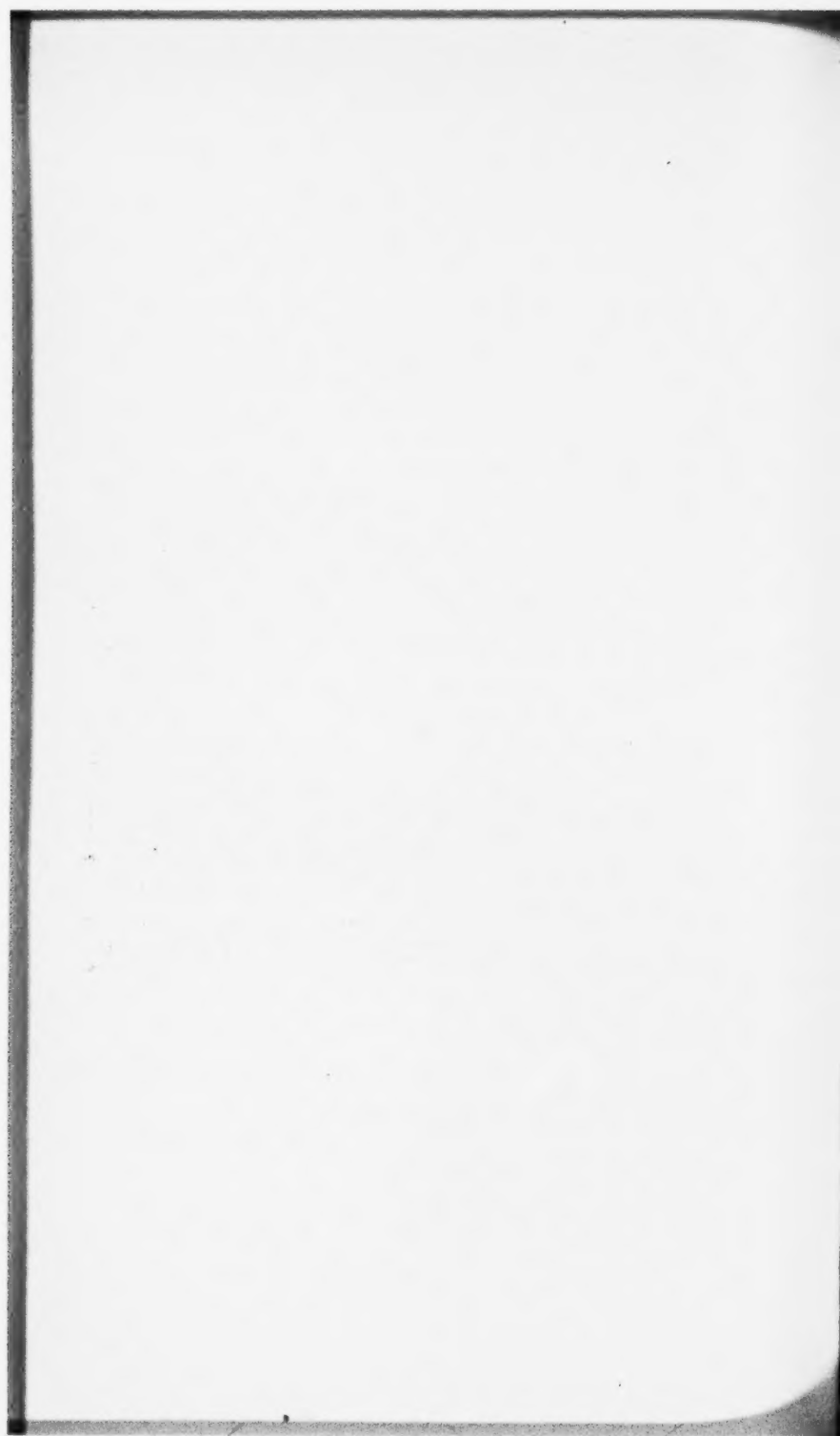
corporation in commerce among the several States of the United States, and between the United States and foreign nations, and particularly between the States of Kentucky and New York, and between the United States and Great Britain; and that the description, drawing and specimens presented truly represent the trademark sought to be registered

EDSON BRADLEY

Subscribed and sworn to before me, this 13th day of February, A. D. 1909.

[L. s.]

A. M. PARKINS,
Notary Public for the District of Columbia.



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No. 311.

ROCK SPRING DISTILLING COMPANY AND
SILAS ROSENFELD, PETITIONERS,

vs.

W. A. GAINES & COMPANY, RESPONDENT.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT
COURT OF APPEALS FOR THE SIXTH CIRCUIT.

BRIEF FOR RESPONDENT.

History of the Litigation.¹

I. This cause is here upon a writ of *certiorari* to the United States Circuit Court of Appeals for the Sixth Circuit, granted December 20, 1915, 239 U. S. 647 (Rec., p. 1058).

The Sixth Circuit Court of Appeals (226 Fed. Rep.

¹The trade-mark involved has also been adjudicated in *W. A. Gaines & Co. v. Leslie*, 54 N. Y. Supp. 421, and in *W. A. Gaines & Co. v. Whyte Grocery, Etc., Co.*, 107 Mo. App. 507.

533, 141 C. C. A. 287), in reversing the decree of the court below (202 Fed. Rep. 989), made the following statement of facts:

“Appellant, Gaines & Co., is a Kentucky corporation. Appellee Rock Spring Distilling Company is also a Kentucky corporation, and appellee Rosenfeld is the licensee and operator of its distillery, and is a citizen of Kentucky. The appellant will be referred to as plaintiff; the appellees as defendants. The litigation involves a controversy over the words ‘Crow’ or ‘Old Crow’ as a trade-mark for whisky. Plaintiff filed its bill in the court below, alleging its trade-mark right in these words, and claiming that defendants were infringing. The answer denied the existence of the right claimed, and set up as a bar a decree rendered against plaintiff in the United States District Court at St. Louis, under mandate of the Circuit Court of Appeals for the Eighth Circuit. The answer claimed privity between the Hellmans—the defendants in that case—and these defendants. A plea of former adjudication was held good (C. C., 179 Fed. 544). After replication filed, proofs were taken, including, by stipulation, all proofs in the Hellman case; and, on final hearing, the bill was dismissed (202 Fed. 989). From the pleadings and proofs, these facts appear, either without dispute or beyond fair question:

Woodford County, Kentucky, is not far from Bourbon County, and is in the heart of the limestone formation, ‘blue grass’ country. This general region has always been and is the center of the distilling business for the best known Ken-

tucky whiskies. The water from the limestone springs—whether or not it is really better than other waters for making whisky—in the early days was thought to be of unique purity and essential to the highest grade of the distilled product. Three brands, among those most advertised and so most widely known now for a generation, are made within a few miles of each other, in Woodford County, along Glenn's Creek—'Taylor', 'Pepper' and 'Crow'. For a long period before 1855, James Crow was a practical distiller in the Glenn's Creek neighborhood. He did not have a distillery of his own, but was employed by various distillers—for some years before Crow's death, in 1855, by Oscar Pepper (except for the last year or two, and even then Crow retained some supervision for Pepper). He was reputed to be the first man in Kentucky to make a sour mash whisky, and he had a high reputation as a skillful distiller. During his years at the Pepper distillery, he made a large quantity of whisky. This whisky came to be called by his name as 'Crow', or, as it aged, 'Old Crow', whisky, and it acquired, by that designation, a reputation for good quality. At his death a considerable quantity was in existence, both where it had been scattered upon the market and where it was aging in the distiller's possession. During the succeeding years it continued to have a market reputation and represent a high standard, under one or the other of these names. After Crow's death, Oscar Pepper, at the same distillery and with the same formula, continued to make a whisky which some witnesses say he continued to call 'Crow'. He died about

1865. In 1866 or 1867, the Pepper distillery was bought by Gaines, Berry & Co. They employed, as distiller, a man who had been a foreman for Crow, and who knew his formula and methods, and their product they called 'Crow', or 'Old Crow'. They were succeeded in the business by W. A. Gaines & Co., first a partnership and then the plaintiff corporation. Since such adoption by Gaines, Berry & Co., these words have been continually used by plaintiff and its predecessors as a trade-mark, vast sums of money have been expended on advertising the brand and the trade-mark, and the brand, under that name, has for many years been one of the best known in the country. All the other distilleries where Crow worked, and which so might have had special rights in the name, have now, for sixty years or more, not questioned the exclusive rights of the Pepper distillery and its successor; and while, doubtless in the '70's, and perhaps in the '80's, there were some instances of trespassing which were not attacked, plaintiff's right was even then generally observed, and now, for twenty-five or thirty years, has not been seriously challenged—save for the Hellman use.

The witness Mida, who conducts the bureau of registration for brands and trade-marks, regarded as authoritative by all the liquor trade, and who has published, since 1878, 'Mida's Criterion', the recognized price list of 'all brands and all ages' of liquor, testifies that 'Old Crow' has always and everywhere been considered the Gaines brand, and is universally understood to refer to whisky made at the Gaines Old Crow distillery. This

testimony is undisputed—excepting the Hellman use, if that is an exception. It further appears that Gaines & Co., in 1882, registered, as a trade-mark, 'Old Crow', alleging its use as a trade-mark 'since 1870'. Again, in 1904, plaintiff duly registered as a trade-mark the words 'Old Crow', alleging its continuous use, by plaintiff and its predecessors, since 1835. Again, in 1909, and under the act of 1905, plaintiff duly registered the same trade-mark, alleging that it had been used since 1835, that the class of merchandise to which it was appropriated was 'distilled alcoholic liquors', and that the particular description of goods comprised in the class upon which the trade-mark was used is 'straight bourbon and rye whisky'. This last registration is the only one alleged in the bill in this cause, and upon it jurisdiction depends, since there is no diverse citizenship.

Since it is admitted that defendants are using the name 'Celebrated Old Crow' upon whisky not made by plaintiff, the right to an injunction would be clear, except for the defense and counterclaims made in the Hellman case, taking effect here either by virtue of the inherent force of the facts there and here appearing, or through the operation of the rule of adjudication. In that case the defendants Hellman filed a cross-bill, alleging their own prior and superior right to the trade-mark 'Old Crow', and asking for appropriate relief. By the proofs it appeared that prior to 1867, and perhaps as early as 1863, the Hellmans had made some shipments of whisky which they invoiced under the name of 'Crow', and which were con-

tained in barrels stamped with the picture of a crow, and with the words 'P. Crow' or 'J. W. Crow'; that they had distributed to their customers signs advertising 'Celebrated Old Crow Bourbon'; that they were not distillers, but were wholesalers or jobbers; and that the whisky which they sold under that name had no connection with the Kentucky 'Old Crow', but was a 'blend', and made by them on their own premises, while the plaintiff's product was a straight whisky, and its trade-mark was never applied, with its approval, to anything else than its product. Upon this general situation, the District Court, at St. Louis, found the facts and the law in plaintiff's favor, awarded to it the usual injunctive relief, and dismissed the cross-bill of defendants Hellman (*Gaines v. Kahn*, C. C., 155 Fed. 639). Both parties appealed; but the Hellmans dropped their appeal from the dismissal of their cross-bill, whereby whatever adjudication was carried by such dismissal became final. The opinion of the Court of Appeals is reported in *Kahn v. Gaines*, 161 Fed. 495, 88 C. C. A. 437. Its precise effect, we must hereafter consider. It directed that the decree be reversed, and that plaintiff's bill be dismissed; and this was done."

NOTE.—Crow's full name was James C. Crow. See testimony of his relative, Richard H. Whittington, record, p. 333. This is important in judging the conduct of an infringer who marks his spurious liquor "P. Crow" or "J. W. Crow".

**The Trade-Mark Registration in Suit Valid Under
Ten-Year Proviso, Act 1905.**

II. The registration sued upon is Certificate 74,537, registered July 20, 1909, by W. A. Gaines & Co., the respondent. The trade-mark consists of the words "OLD CROW", and in conformity with the classification then in effect in the Patent Office, the application of the trade-mark is thus described in that registration:

"The class of merchandise to which the trade-mark is appropriated is Class 49, Distilled alcoholic liquors and the particular description of goods comprised in said class upon which the said trade-mark is used is straight Bourbon and rye whisky.

"The trade-mark is displayed on the packages containing said whisky by being imprinted upon labels, or stamped, printed or branded upon wooden containers."

The date of first use of the said trade-mark is given as, to-wit, January 1st, A. D. 1835.

As indicated by the court below, this registration is doubtless valid and effective under the ten-year proviso of the Act of February 20, 1905, 33 Stat. at L. 724. The opinion recites (226 Fed. Rep. at p. 535, R., p. 1016):

"(1) 1. The first objection which plaintiff's alleged trade-mark rights must meet is that the

words are descriptive, and so incapable of becoming a true trade-mark. If nothing were involved except the effect of the 1909 registration, this objection might be passed without decision, since the application for registration indicates use for more than ten years before 1905, thus perfecting rights which might have been imperfect when the use began, and would have so continued except for the statute (*Dauids Co. v. Dauids*, 233 U. S. 461, 34 Sup. Ct. 648, 58 L. Ed. 1046; *Nashville Co. v. Coca Cola Co.*, 215 Fed. 527, 529, 132 C. C. A. 39); but it is impossible wholly to separate the force of this registration from the underlying broader question, because rights prior to this registration are indirectly involved."

The Words "OLD CROW" Susceptible to Exclusive Appropriation.

III. We have nothing to add to what was said upon this phase of the case by the court below, except that each and every conclusion of fact is sustained by the record, not only by a preponderance of evidence, but by proof beyond a reasonable doubt. The record references by which the truth of these facts can be established are to be found in the appendix at the end of this brief, *post*, p. 83.

The Court says (226 Fed. Rep. at p. 535):

"(2) During the lifetime of the distiller, Crow, it seems clear enough that to call his product by

his name could not amount to the adoption of a valid trade-mark; the use of the name was descriptive, rather than arbitrary, and a manufacturer can not thus exclude all others. Such use might give rise to quasi-exclusive rights on the secondary meaning theory; but this theory is not alleged. The same situation, apparently, must continue after Crow's death, and in reference to whisky which had been manufactured by him during his life. The necessary meaning of the words, as merely describing the article or stating the name of the maker, would seem to merge and destroy any otherwise possible implication that they were an arbitrary symbol of origin. As the making of whisky after Crow's death, but by the same formula and methods, was continued by Pepper or by Gaines, and as it continued to be called 'Old Crow', this appellation would gradually change its character. It at once ceased truly to personify the maker; it did not immediately become merely arbitrary. As the trade lost the sense of Crow's personality, as he became less real and more traditional, as no one else of the same name challenged the growing right, and as with Crow's personality fading there must also fade the vague descriptive effect of using his formula, the words 'Old Crow' would become less descriptive and more arbitrary, and after a period of such unchallenged use they would become dominantly and substantially a mere symbol of origin. Whether this right of exclusive appropriation as a trade-mark had matured in 1866 or 1867, when Gaines, Berry & Company began the use, or matured in 1870, the date named in their

first trade-mark registration, or matured at some other date, is not now material. The facts seem to show an unbroken development of the type which the courts had recognized, but which had not been effectuated by statute until the Law of 1905. Words which were at first essentially incapable of exclusive appropriation were continually used as descriptive by the only one who could truthfully make such use, until, by change of circumstances and by long acquiescence, they had come to indicate, and indicate only, a particular product of a particular manufacturer. It might be otherwise, if the words had originally been more purely descriptive of quality or method; and it may be that some person named Crow would even yet have a measure of right to call his product 'Crow'. We do not meet either of these questions; and, in what has been said regarding the capability of the name for exclusive appropriation, we have, for the time being, disregarded whatever force the St. Louis use by Hellman may have."

Privity of Parties.

IV. It is a question of pure law whether there can be privity between successive tort-feasors. That question has, so far as we have been able to ascertain, never been ruled by this Court. The former suit, like the present, sounded solely in tort. The same reasons which have led this Court in a patent case to hold that a defendant who had successfully

resisted a charge of infringement did not have a "transferable immunity", which could be used as a sheltering aegis by another defendant subsequently sued for infringing the same patent (*Rubber Tire Wheel Co. v. Goodyear Tire & Rubber Co.*, 232 U. S. 413, 419), seem to negative the existence of privity here. Privity would seem to import some property right to which various interests may attach. It would seem strange that there could be any succession in interest in the privilege of committing fraud upon the public by infringing a trade-mark.

So we do not agree with the court below on that question of law. However, the determination of that question contrary to our views of the law, and contrary to our understanding of the doctrine of "transferable immunity" as applied by this Court, 232 U. S. 419, does not defeat the plaintiff; the merits of the case are with us no matter which way this question is decided.

The court below (226 Fed. Rep. at p. 536) said:

"(3) 2. When we consider the claim that the Hellman decree is a bar to any relief in this suit, we first meet the objection that there is no privity of parties. We must think that privity sufficiently appears. The parties defendant in that case, at the time of its commencement, had been the two Hellmans, who were partners. Pending the suit, one partner died, and his administrator, Kahn, was substituted. Later, but still

pending the suit, the entire business of the Hellman Brothers was transferred to the just-organized corporation, the Hellman Distilling Company, and by supplemental bill this corporation was made defendant. The corporation was, therefore, a party to the suit at the time of the final decree. During the existence of the partnership of Hellman Brothers, it had leased the distillery of the Rock Spring Distilling Company, near Owensboro, Kentucky, and as lessee it had manufactured whisky there in 1904. The Hellman Distilling Company, as such lessee, continued such manufacturing in 1905, 1906 and 1907. In 1909 all this remained in bond in the distillery warehouse. In 1909, and after the final decree in the Missouri case, the Hellman Distilling Company contracted with the Rock Spring Company, and with Rosenfeld, as its lessee, for the further manufacture of whisky, and for the bottling in bond of the 1904 stock, and for the use upon such bottles of the brand or label 'Hellman's Celebrated Old Crow'. The Hellman company gave to defendants a bond of indemnity to protect them against plaintiff's claims; in using this brand or label, defendants are acting for and in behalf of the Hellman Distilling Company; and the right of that company to use this brand on this article is the very thing in controversy. The former decree must be given the same force and effect as if the Hellman Distilling Company were the nominal, as it is the real, defendant here (*Kessler v. Eldred*, 206 U. S. 285, 27 Sup. Ct. 611, 51 L. Ed. 1065)."

Distinction Between Straight and Blended Whisky.

V. In the Missouri case the Hellmans set up in their answer that they used the infringing mark upon a blended (rectified) whisky. The distinction between straight and blended whisky is well known and generally recognized. The Court of Appeals of Kentucky has clearly recognized this distinction, and has expressly held that blended whisky is not sold in competition with straight whisky; which decisions are referred to in detail later in this brief (*post*, pp. 42, 43).

However, upon this point the court below (226 Fed. Rep. at p. 537) said:

“(4) 3. Plaintiff next urges, by way of escape from the claimed force of the Hellman decree, and even if that decree is to be considered as an adjudication that the plaintiff had no lawful title to the trade-mark, yet that, since the only use there involved was upon a blended whisky, while the use here involved is upon a straight whisky, a judgment that plaintiff had no trade-mark valid against a blended whisky would not be a judgment that plaintiff had no trade-mark valid for straight whisky. Disregarding for the present such limitations as for the purposes of this suit must be thought to have been imposed on plaintiff's rights by the peculiar form of the 1909 registration, and with reference only to the general question and the general rule, we can not be satisfied with the theory which would thus interpret and then limit the effect of the Hellman decree. The general rule is clear that a common-

law trade-mark for one article extends to another article of the same descriptive properties; the difficulties come in applying this limitation, 'of the same descriptive properties'. The distinctions between a straight whisky and a blended whisky have given rise to much controversy in other legal fields; but it seems to us clear that, whatever the extended classifications and sub-classifications of the Patent Office practice may contemplate, neither the common law nor the registration statute can intend such confusion as must result from recognizing the same trade-mark as belonging to different people for different kinds of the same article. Established trade-marks directly indicate origin; but, if they have any value, it is because they indirectly indicate kind and quality, and to say that the seller of a blended whisky might properly put upon it a mark which was known to stand for a straight whisky, or *vice versa*, would be to say that he might deceive the public, not only as to the origin, but also as to the nature and quality of the article. The decided cases do not permit a trade-mark like this to be thus divided as to its subject-matter;¹ and we must think that whatever was adjudicated regarding plaintiff's title to its trade-mark applies to its use on both kinds of whisky."

¹Coffee and cocoa, *Baker v. Harrison* (Ct. App. D. C.), 138 Off. Gaz. 770; toilet brushes and tooth brushes, *Florence Co. v. Dowd* (C. C. A. 2), 178 Fed. 73, 101 C. C. A. 565; soda and baking powder, *Layton Co. v. Church* (C. C. A. 8), 182 Fed. 35, 104 C. C. A. 475, 32 L. R. A. (N. S.) 274; axes and shovels, *Collins v. Ames Co.* (C. C.), 18 Fed. 561 (Mr. Justice Blatchford); tobacco and cigarettes, *American Co. v. Polacsek* (C. C.), 170 Fed. 117 (Coxe, Circuit Judge).

Territorial Limitations

VI. At the last term this Court considered some aspects of the question of territorial limitation of trade-mark rights, in *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403. The opinion of the court below does not appear to conflict with any of the principles announced in that *Hanover* case.

The Court (226 Fed. Rep. at p. 537) says:

“(5) 4. It is next urged that the Eighth Circuit decree may be reconciled with granting the relief now sought, and upon the theory that trade-mark rights may be limited in territory, and that plaintiff might have the right to this trade-mark for whiskies throughout the country generally, while the Hellmans might have an exclusive right to the same words as a trade-mark for the same article in St. Louis and the Southwest, thus being given the field which they claimed they had first exploited and reduced to possession. This suggestion presents two conflicting theories of trade-mark origin and right—and we speak now only of marks which are so-called ‘technical’ trade-marks. One theory is that the right arises from adoption—from a kind of creation or discovery followed by appropriation. Whether the right is perfect at the instant of adoption, or whether there first must be sufficient use upon the goods to create for the mark a meaning among that part of the public which begins to purchase, is a detail which would not usually be important. Accord-

ing to this theory, if the right is once acquired by prior adoption, it is by its very nature exclusive of all later similar rights which might otherwise be acquired by similar adoption; and from that theory it would seem to follow that one who first adopts the mark and applies it to his goods in interstate commerce, and who extends his business into new localities, until, in regular course, his business may cover the country, may prevent the use of the mark by another later user, even though that other has adopted the mark in good faith, and in his particular field has given it identity with his goods. How much diligence on this theory the first user must employ in extending his business to get the full benefit of his initial right need not now be considered. The other theory is that no right is perfected until the mark has been used to such an extent that it has come to have a meaning to the particular purchasing public as to which a controversy arises, and that the duty of courts of equity to enforce such rights depends essentially upon the duty of protecting this public against being misled. From this theory it will follow, or it may follow, that the later adopter, who has brought it about in a given locality that the mark indicates to the public that the goods are of his manufacture, may thereby himself acquire a trade-mark right or its equivalent, affirmatively enforceable in that locality and among that public, even against the first proprietor.

We do not find it necessary to consider or to attempt to decide the question so presented. For the purposes of this case, and without intimating

any opinion, we give the first appropriator the benefit of the doubt and assume that his title is *prima facie* country-wide and exclusive against all others, and that as against all who have no special and superior equity he is entitled to carry his trade into the new territory and there to enforce his exclusive right. However, the existence of this general or *prima facie* exclusive right is not inconsistent with an inability to enforce it against some persons and under some circumstances. Instances may arise where the affirmative conduct or the laches of the first appropriator, and with reference to what he was at first entitled to call an infringement, has been such that on the principles of estoppel a court of equity can not tolerate that he should enforce against the later user the right which might have been originally perfect. This subject is more fully discussed and the reasons which lead us to this conclusion pointed out, with some reference to the decided cases, in our opinion in the Rectanus Case, 226 Fed. 545, 141 C. C. A. 301, this day decided. Under these considerations, and upon reference to the pleadings and the proofs in the Hellman case, we conclude that the latter case is of the class where the refusal to give an injunction to the first appropriator of the mark may be justified upon the ground of his estoppel; and so this ground of support must be considered in determining what is the true basis of that decree."

"5. Is the Eighth Circuit decree a judgment that the trade-mark, in its general, *prima facie*, affirmative aspect, belonged to the Hellmans by prior appropriation? This is the interpreta-

tion claimed by defendants. The language in the body of the Circuit Court of Appeals' opinion is consistent with that interpretation, but the last paragraph indicates that the two Judges (only two sitting) did not unite in putting the decision on this ground. When we turn to the record for further light, we find, first, that the defendants' cross-bill claiming the trade-mark ownership was dismissed, and that the dismissal became final. If it had been even seriously contended by defendants that their early use of the words was effective to vest a trade-mark right therein, surely there would not have been acquiescence in the dismissal of the cross-bill. It was apparent, then as now, that affirmative title to the trade-mark would have been of great value to defendants, if they could maintain that position. We find, second, that there was in the record practically nothing indicating that the Hellmans ever pretended to adopt or claim these words as their trade-mark. They stamped some barrels with the words 'P. Crow' or 'J. W. Crow'; but no person of this surname had ever been connected with the Hellmans. The Crow, or Old Crow, which, in 1863, had been manufactured in Kentucky for twenty years or more, was at least considerably known on the market. No reason has ever been suggested in this litigation, and we can think of none, why they should put this name on their barrels, unless they intended to indicate that the whisky was that made by Crow of Kentucky. Unless the selection of this name meant that it meant noth-

ing. Witnesses for the defense frankly stated that in those years it was nothing unusual for jobbers or blenders of whisky to use well-known brands belonging to others, and that, if the initial of a proper name was changed, this was thought sufficient in morals to remove any objection to the appropriation. This may be the genesis of the otherwise unexplained use of 'P.' and 'J. W.'² The Hellmans also used advertising signs of 'Celebrated Old Crow Bourbon'. From the record, we must doubt whether these signs antedated 1870. But if they did reach back to 1863, and if they referred to the blend or mixture which the Hellmans produced, it was neither 'Celebrated', nor 'Old', nor 'Crow', nor, unless by chance, 'Bourbon'.³ It was made by mixing colors and flavors with neutral spirits or high wines, or, sometimes, straight whisky; but, if the latter, it was whatever they happened to have on hand. Defendants' witness says, 'Any brand would do.' Records which seem to be complete show that during the seven years from 1863 to 1870 the Hellmans sold, of this 'Crow' whisky, an average of less than eight barrels per year.

"In considering whether their use was of a trade-mark character, the peculiar nature of their business and their markings must not be overlooked. The brands or marks on whisky are

²One of the stencils was "J. Crow-Bourbon-Paris, Ky."—a plain declaration that "Crow" was a maker's name, and not a Hellman trade-mark; and as there never was any "Crow" in "Paris, Ky.", the intent seems clear enough.

³Assuming that, at that date, "Bourbon" fairly meant a corn whisky from somewhere in Kentucky, even if not from Bourbon County.

usually those of the original manufacturer. The dealer or jobber may handle many well-known brands, and may mark his own name upon the packages or upon the advertisements; but this does not indicate that he claims the brands as his, or that he is acquiring a trade-mark right therein. While the stencils on the barrel and the glass signs carried the name 'Helman & Co.', they did not say 'manufactured by', or that Hellman & Co. were manufacturers or distillers, nor were they in any way inconsistent with mere sale by Hellman as jobber of a well-known brand made by some one else. The thus described nature and character of the Hellman early use might not always be thought sufficient to initiate and support even a defensive right; but they were so regarded in the former decree, and it is immaterial whether we would independently reach that conclusion. It did there appear that the Hellman use thus began and continued for seven years before 1870, or four years before 1867, the earliest date to which, under the pleadings, plaintiff could then resort, and that after 1870 it continued, increasing somewhat, although remaining comparatively small, and continuing without challenge from plaintiff until 1904. It may well be that, even if plaintiff did not know of this use and acquiesce, it was legally chargeable with such knowledge and acquiescence for many years, and that in 1904 the use would have matured into a possession of which a court of equity would not deprive defendant. At any rate, we think that is

the theory upon which the former decree should be considered to stand; and, accordingly, it adjudicates such defensive right and nothing more. As interpreted by Judge Lacombe in the Baltimore Club case (*Carroll v. McIlvaine* [C. C. A. 2], 183 Fed. 22, at page 28, 105 C. C. A. 314), this right does not go beyond what has actually been 'reduced to possession' by defendant, and does not extend to any whisky not mixed or blended, so as to be of the same general type as that which defendants had been making, or to trade or territory which they were not selling when that bill was filed. Such difficulties as there may be in drawing the exact line of its effect are not here involved, because the infringement here sought to be enjoined is in another locality and of another character. This limitation—to blended whisky as distinguished from straight—thus imposed on defendants, is not inconsistent with our earlier holding that a trade-mark can not be so divided. This limitation is not of the trade-mark right itself, but of the fraction thereof which has been lost."

Validity of the Registration in Suit.

VII. Upon this branch of the case the opinion of the court below sets forth fully and clearly the contentions of the defendant, and it applies the law to those contentions (226 Fed. Rep., at p. 540) as follows:

"(6, 7) 6. The validity of plaintiff's registration under the act of 1905 is attacked upon two

grounds: First, that the registration was forbidden by Section 5, because the mark was identical with a 'known trade-mark owned and in use by another and appropriated to merchandise of the same descriptive properties', viz, the Hellman trade-mark; and, second, that it would be invalid under that provision of Section 21 which relates to certificates of registration fraudulently obtained.

"We pass by the plaintiff's contention that the validity of registration can not be collaterally attacked, but must be directly reached under the provisions of Section 13, which provides for the cancellation of the certificate if it is made to appear that the registration was unlawful; and we do so because we conclude that the registration of a word capable of exclusive appropriation has no effect upon the substantive rights of the parties, excepting its evidential force to make a *prima facie* case of title. We find nothing in the act purporting to cut off or impair any substantive defense which would have been open to the defendant if there had been no registration, except in so far as it perhaps may affect the character of registrant's title to a descriptive word of a secondary meaning (*Nashville Co. v. Coca Cola Co.*, 215 Fed. 527, 529, 132 C. C. A. 39), and this effect is not now involved. If, then, the law does not otherwise indicate the intention to cut off or embarrass ordinary defenses by one who has not been heard in the registration proceedings, that intention can not be inferred merely from the insertion of a provision by which a hostile party can secure the cancellation of a certificate and so destroy even

its evidential force and its effect upon questions of jurisdiction as between different courts.

“The first objection is that because the trade-mark ‘Old Crow’ belonged to the Hellmans for use upon blended whisky, and because this is an article of the same descriptive qualities as plaintiff’s straight whisky, the registration was forbidden. This objection must fall, when it is found, as we have held, that upon the basis of the former decree the adjudication does not establish the ownership of the trade-mark by the Hellmans, but only a defensive right sufficient to protect them against the remedy then sought, and that, if we go behind the adjudication and into the facts, the Hellman right is not enlarged.”

The Registration Not Fraudulently Obtained.

VIII. In holding adversely to the defendants’ contention that the plaintiff’s registration of its trade-mark was fraudulently obtained, the court below (226 Fed. Rep. at p. 541) said:

“(8) It is next said that the registration was ‘fraudulently obtained’ because, before the application was made the Eighth Circuit litigation had been finished, and yet the application falsely stated two things, the untruth of which had then been judicially established: (1) That the trade-mark had been continuously in use by registrant and its predecessors since 1835; (2) that no other person had the right to use the mark. The statement that the trade-mark had been in use since 1835 is

not shown to be untrue to such extent and with such certainty as would be necessary to fix a fraudulent character on the application, within the meaning of 'fraudulent' as used in this connection. The proof does not carry the use of the word back to a definite beginning. At Crow's death, in 1855, the name had been long used. No one undertakes to say how long. It was not important for plaintiff to prove that the use did extend back of say 1850, and defendant did not undertake to prove that the use did not go as far as 1835. The period between 1835 and 1850 was not important, either for the purpose of registration or for the purpose of this suit. It is true that the use was of a character analogous to a descriptive use, rather than a strictly trade-mark use, for a period which did not expire until an indefinite date, perhaps 1870, perhaps earlier; but this fact, with these surroundings, is plainly insufficient to make 'fraudulent' the statement that the trade-mark had been continuously used since an earlier period."

Plaintiff Rightfully Claimed Exclusive Use.

IX. Upon this point the reasoning of the court below is, in its entirety (226 Fed. Rep. at p. 542) as follows:

"(9) The application says 'that no other person * * * has the right to use the trade-mark'. It had then been decided that, as against plaintiff's claimed exclusive right, the Hellmans could continue to use the words as they had been

doing, viz, in their trade and territory and upon their blended product. The registrant thought to avoid this apparent conflict by limiting the registration to straight whisky only, and undoubtedly the application, when read together, is only a statement that no one else has the right to use the words upon straight whisky. We have expressed our opinion that a trade-mark can not be so limited; but we see no reason why an applicant may not, if he wishes, confine his registration and its effect to such classes or sub-classes of the article 'of the same descriptive properties' as he may select,⁴ or why he thereby necessarily abandons such rights as he may have to the use of the mark upon other sub-classes of the same article. It is true that the jurisdiction in this case depends upon this registration; but the decree sought is confined strictly within the limitations of the registration, viz, it affects straight whisky only, and it is no concern of defendants if the registration might have been broader. The application, obviously, did not state the whole truth regarding the mark; but, as far as it stated anything in this respect, it was carefully accurate. It claimed only that exclusive right of use which remained unimpaired by the Hellman decree.

"(10) It is also said that the registration was fraudulent because the Hellmans' well-known interests were, by silence, concealed, whereby they were not summoned as adverse claimants, and

⁴Kohler v. Beeshore, 59 Fed. 572, 8 C. C. A. 215; Richter v. Reynolds, 59 Fed. 577, 8 C. C. A. 220, and Pittsburgh Co. v. Diamond Co. (C. C.), 85 Fed. 637, pertain to the word itself, not to its use.

lost their chance to be heard. The registration statute contemplates that adverse claimants, when known, shall have notice and an opportunity to oppose. There is little reason to doubt that this application was carefully so shaped as to avoid any necessity for such specific notice, and if the effect of the registration was to take away any right of use which the Hellmans actually owned, it might well be that any intentional failure to disclose facts which might give another the right to be heard, would be fatal to the proceeding; but, with due regard for the limited effect of the registration, there is no occasion for so strict a rule in determining 'when the certificate is fraudulently obtained'. Whatever new rights, of evidence or of forum, plaintiff was getting, were confined to its trade-mark used upon straight whisky; in that use, the Hellmans had no concern. Their failure to receive notice impaired no right of theirs; and it follows that the deliberate limitation and shaping of the registration so as to avoid conflict with their claims was not fraudulent as against them or as against the public."

The Decree Sought to Be Reviewed.

X. The opinion of the court below embodies (226 Fed. Rep. at p. 542) the following conclusion:

"(11) We think the plaintiff was entitled to an injunction against the continuance of what defendants were doing, viz, using the names 'Crow' or 'Old Crow' in connection with straight whisky not made by plaintiff. Extending the in-

junction in the broad terms of the prayer of the bill might not only cause confusion with rights secured by the Eighth Circuit decree, but might go beyond our jurisdiction in this case. That jurisdiction is confined to protecting the class of merchandise specified in the certificate of registration, 'straight Bourbon or rye whisky'; and if, upon the principles herein declared, plaintiff would be entitled to any broader measure of relief, this limitation of the injunction will not prejudice proceedings therefor in a court whose jurisdiction does not depend solely upon the registration. The difficulty of distinguishing between the results of defendants' wrongful use of these names as compared with the results of a rightful use make the case inappropriate for an accounting (*Ludington Co. v. Leonard* [C. C. A. 2], 127 Fed. 155, 157, 62 C. C. A. 269).

"The decree below is reversed, with costs, and the case is remanded for the entry of a new decree consistent with this opinion."

We desire to call attention to the inadequacy of the relief which grows out of the denial of the accounting. The difficulty attending such an accounting is insignificant by comparison with *Westinghouse v. Wagner*, 225 Fed. Rep. 604, and other cases of patent infringement. The plaintiff moved promptly against the defendant, but, notwithstanding that fact, the defendant had sold a large quantity of the fraudulently marked whisky, and the profits thereon belong to the plaintiff and not to the defendants.

Of course, on every gallon of the whisky sold by means of this fraud, the Hellman Distilling Company of St. Louis profited more than the defendant Rock Spring Distilling Company; but we are not concerned in the instant case with the fraudulent acts of strangers to this case. What profits the present defendants have made belong to us, and we are clearly entitled to the order for accounting in addition to relief by way of injunction.

ARGUMENT.

XI. In attempting to add anything of value to the argument contained in the opinion of the Court of Appeals for the Sixth Circuit, we almost feel as if trespassers upon this Court's time, but because of the immensity of the record a very brief discussion of the points involved may be of assistance to this Court.

It is convenient to discuss this case under four divisions:

First. That in a case involving a technical trade-mark the public interest, *i. e.*, the interest of the public to be protected against imposition and fraud by the counterfeiting of a trade-mark, is paramount to the private interest of the parties to a litigation, and that in protecting this public interest this Court is not concluded by the error or mistake committed by any subordinate court in an adjudication in regard to the validity of the infringement of the trade-mark.

Secondly. That the decision in the Eighth Circuit case did not conclude any of the issues in the instant

case because that decision simply denied plaintiff's (respondent's) claim that defendants (petitioners) had infringed its trade-mark through the sale of rectified whisky bearing a counterfeit of it;

Thirdly. That the decision in the Eighth Circuit refusing the injunction prayed by respondent against the Hellman Distilling Company did not confer upon that defendant a "transferable immunity" (232 U. S. 419), through which it could clothe a subsequent tortfeasor with a ready-made defense; and,

Fourthly. That the decision of the Circuit Court of Appeals for the Sixth Circuit is impregnable upon the merits of the controversy.

A.

XII. In *Shaw Stocking Co. v. Mack*, 12 Fed. Rep. 707, 710, the Court (Coxe, J.), said of the trade-mark:

"Its object is twofold; first, to protect the party using it from competition with inferior articles; and, second, to protect the public from imposition."

In *Humphreys' Med. Co. v. Wenz*, 14 Fed. Rep. 250, 252, the Court (Nixon, J.), said, speaking of trade-marks:

"Courts of equity have two objects in view in granting injunctions against their imitation: 1. To secure to the individual adopting one the profits

of his skill, industry and enterprise; 2. To protect the public against fraud.”

In *Mast, Foos & Co. v. Stover Mfg. Co.*, 177 U. S. 489, this Court, in declaring the weight to be given to the doctrine of comity, said:

“It is scarcely necessary to say that when the case reaches this Court we should not reverse the action of the court below if we thought it correct upon the merits.”

The principle for which we contend is suggested by the decision in *Hill v. Wooster*, 132 U. S. 698, where, although the question of the patentability of the device in controversy was not raised by the pleadings, nor considered by the Circuit Court, nor argued by counsel, nevertheless, this Court said that it would not overlook that question, and upon examination of the record reached the conclusion that the claims in controversy were not patentable and directed the dismissal of the bill.

Petitioners sought, and presumably obtained, the writ of *certiorari* from this Court upon the ground that it was necessary in order to remove conflict between the doctrines obtaining for the two circuits, but insists that the remedy must be, not the annulment of the doctrine which is unsound, but of the doctrine last announced, sound or unsound. Of course, this contention is untenable because there would be presented no

case of conflict, but simply a case of prior adjudication. Such case might exist as well between judgments in the same circuit, or even in the same court, as between judgments of different circuits. Indeed, it would exist in every case where *res judicata* might be pleaded. When, therefore, this Court grants its writ of *certiorari* upon the assumption of the duty to remove conflict between decisions in the two circuits, it is granting the extraordinary remedy of *certiorari* for a public purpose, viz, to settle the doctrine between circuits correctly, i. e., by announcing the true doctrine for both circuits. *This involves, of course, this Court's determination of the merits of the controversy in each circuit.*

It was upon this assumption that we petitioned this Court for writ of *certiorari*, 241 U. S. 668, after the *instant* writ was granted, and doubtless this Court refused our application upon the ground that the writ granted to petitioners was for the purpose of settling, and settling right, the question upon which the two circuits were not in accord, if it were found by this Court that they were not in accord (see record from page 204 to page 983, inclusive). Accordingly, we shall briefly indicate the controversy in the Eighth Circuit, and the record in the Eighth Circuit case is contained in the record in this Court (Rec., pp. 204 to 983).

There certainly can be no doubt where the public interest in this contest lies. Respondent, ever since

1867, has manufactured in Woodford County, Kentucky, a straight whisky ("Old Crow") of such excellence and so reliable that it has become standard all over the United States and in Canada (Rec., p. 189, Test. of Thomas S. Jones). It is often sold upon its reputation without even the necessity of producing a sample (Chas. H. Herman, Rec., p. 355).

Plaintiff's "Old Crow" is one of the most celebrated brands made in Kentucky.

"* * * It is the highest type of whisky produced in Kentucky—sour mash whisky. It is a straight Kentucky whisky. It is distributed from the Atlantic to the Pacific and from the Northern to the Southern boundary of the United States. It is made near Frankfort, Kentucky, in the Blue Grass region, embracing ten or twelve counties of which the witness names Henry, Woodford, Franklin, Harrison and Bourbon counties, the Old Crow distillery being in Woodford County" (Thos. S. Jones, Rec., p. 189).

Edmund H. Taylor, Jr., whose whisky has no superior (Rec., pp. 317, 318), swears that

"James Crow was the first man, as I recollect, who ever distilled sour mash in Kentucky, and it was the best whisky known in the counties Woodford, Fayette, Franklin."

Q. Prior to that time (1866, 1867) what significance did the words "Old Crow" have in the whisky trade in Kentucky?

A. The significance that attached to it was that it was manufactured by James Crow at the distillery I have mentioned in a former question and under his established formula."

An extended history of the trade-mark is given in 226 Fed. 533, Denison, J.

Wm. Mida, editor of Trade Journal Criterion of Wholesale Liquor in St. Louis, testified (Rec., p. 364) that his connection with the liquor trade extended all over the United States and that

" 'Old Crow' is recognized as a brand of one of the finest whiskies made in the country; and has been so recognized since I have been connected with the wholesale liquor interest, either in the capacity of a representative or as a broker" (Rec., p. 365).

Q. "To whose product are those words understood by the liquor trade of the United States to refer?"

A. "It refers to the product of W. A. Gaines & Company of Frankfort, Kentucky."

The testimony of Jones, Taylor and Mida is corroborated overwhelmingly by the testimony in the Eighth Circuit record by many witnesses (*post*, p. 83 *et seq.*).

In 1897 respondent began to *bottle* Old Crow whisky in *bond*, and in the autumn of 1897 and spring of 1898 bottled between 10,000 and 15,000 cases,

and by 1913 it was bottling 100,000 cases per year, a case containing 12 quarts or $12\frac{1}{5}$ of a gallon (Geo. F. Berry, Rec., pp. 187, 188).

Before this suit was instituted respondent had spent \$232,000 in advertising its brand "Old Crow" (Wm. J. Gorman, Rec., p. 306), and its excellence was so established that while "Old Crow" sold for 75 cents per gallon, petitioners' straight whisky manufactured by the Rock Spring Distillery ranged from 30 cents to 45 cents a gallon (Berry, Rec., p. 187).

The cost of producing whisky under normal conditions is 30 cents per gallon (Jones, Rec., p. 187).

In 1910 "Old Crow" of 1905 sold for \$1.50; of 1904, \$1.60; of 1903, \$1.70; of 1908, 78 cents to $87\frac{1}{2}$ cents; while the highest price of the Rock Spring Distillery whisky was $48\frac{1}{2}$ cents (Jones, Rec., p. 190). The Rock Spring whisky actually bottled as "Crow" sold for 35 cents per gallon (Rec., p. 1001).

If, therefore, petitioners were permitted to sell their cheap whisky at the high prices commanded by respondent's "Old Crow", the public would be cheated of the difference, as well as being defrauded by the passing off of the spurious for the genuine article.

Let us contrast the whisky and the conditions of petitioners and their assumed predecessors, with the whisky and conditions of respondent as appears in this record, including the Eighth Circuit record.

Petitioners, alleged predecessors and privies in the scheme, had been counterfeiting respondent's brand, "Old Crow", under divers suggestive imitations of "Crow", "Old Crow", "J. W. Crow" and "P. Crow" before the institution of the Eighth Circuit suit only on a rectified whisky, compounded of neutral spirits. In the same way they had counterfeited other famous brands, such as "Magnolia", established in *Kidd v. Johnson*, 100 U. S. 617; and "Bowen", which was the trade-mark of Frieberg & Workum (*Mida, Rec.*, p. 364) to none of which brands had they any title except by piracy, and when sued by respondent, W. A. Gaines & Company, they not only undertook to claim priority of use of respondent's brand and trade-mark, but unblushingly made the false pretense of claiming the right to enjoin respondent from the use of its own brand and trade-mark—a pretense which was promptly abandoned on the trial.

In their cross-bill, which was abandoned as aforesaid, petitioners averred (*Rec.*, p. 228) that respondent's (genuine Old Crow) whisky contained a large and dangerous percentage of fusel oil, a deadly poison, and was unwholesome, and respondent therefore guilty of fraud upon the public; that by using such brands respondent had damaged petitioners' trade and diminished its sales, and that the public had purchased respondent's whisky in the false belief that it was petitioners' (*Rec.*, p. 229); and petitioners

prayed, in said cross-bill, an injunction against respondent's using the words "Crow" or "Old Crow", etc., etc. In the same breath petitioners admitted that respondent was engaged, through its agents in St. Louis and "elsewhere at numerous points throughout the United States and in foreign countries" in selling its whiskies (Rec., p. 228).

When the truth, as divulged by the record, is considered, it appears not only that the averments in said cross-bill were unblushingly fabricated in furtherance of the endeavor to perpetrate a commercial theft of an advantage gained by another through thrift, labor and expense, but that this was so thoroughly recognized by petitioners themselves that in the Court of Appeals they declined to pursue their claim and expressly abandoned it.

While respondent was selling its whisky under its trade-mark, "Old Crow", throughout the United States, and, as petitioners admit, in foreign countries, and while it had spent \$232,809.35 in advertising its whisky and brands, and its trade-mark, "Old Crow", was worth not less than \$500,000 (Rec., p. 247) —the "Crow", "Old Crow", "J. W. Crow", "P. Crow" and the other "Crows" employed by petitioners' alleged privies, the Hellmans, as shown by their own books, totaled 2361 gallons or 59 barrels in seven years; or $8 \frac{3}{7}$ barrels per year from March 18, 1863, to December 18, 1869, the time of the so-called priority

of use of the divers species of Crows handled by petitioners (Rec., p. 947).

The tabulation shows that on March 18, 1863, one barrel, 38½ gallons, was sold; that December 28, 1866, three years and nine months afterward, another barrel, 40½ gallons, was next sold; that April 20, 1867, 82½ gallons were sold; that there were in 1867 seven other sales; in 1868, ten sales, these being all the sales made upon which even petitioners claim to have put the "Crow" mark prior to the year 1869, when respondent adopted its trade-mark.

The trade-mark, however, was already well known by reason of James C. Crow's Woodford County distilling, which was begun in 1835 (155 Fed. Rep. 645, opinion of Dyer, J.)

It was a well-known brand in St. Louis as early as 1869. Wm. Mida so testified, and had been acquainted with "Old Crow" for thirty-six years (Rec., p. 364), the time he had been engaged in business. During that time respondent's "Old Crow" was recognized as one of the finest brands, and had been so recognized for thirty-six years (Rec., p. 365, 226 Fed. Rep. 539).

Mida says that he never heard of "Old Crow" being offered, sold or claimed by petitioners. He became acquainted with the liquor business in 1869, and "Old Crow" was then bought and sold in the St. Louis market as respondent's whisky (Rec., p. 365).

John O. Urner, petitioners' bookkeeper, swears

(Rec., p. 512) that he knew of no man named P. Crow ever connected with petitioners, nor engaged in the liquor business, and testified similarly as to J. W. Crow.

He remembers of no distillers except high wine distillers of whom petitioners made purchases in 1865 and 1866, and none of those high wines were purchased under the brand "Crow", "J. W. Crow", "P. Crow" (Rec., p. 514). All the goods sold under the "Crow" brand were prepared on the premises. Among those made was "Magnolia". It was rectified there, and the Magnolia brand put upon the barrel. "Magnolia", too, was a celebrated brand, established in *Kidd v. Johnson*, 100 U. S. 617, as this Court knows. Petitioners made "Magnolia" of high wines. See, further, the testimony of Urner (Rec., p. 514 *et seq.*) as to other brands which were pirated by the Hellmans. Were petitioners the "proprietors" of all these pirated brands?

The Court of Appeals for the Sixth Circuit justly says (226 Fed. 539, Rec., p. 1020):

"If it had been even seriously contended by defendants that their early use of the words was effective to vest a trade-mark right therein, surely there would not have been acquiescence in the dismissal of the cross-bill. It was apparent, then, as now, that affirmative title to the trade-mark would have been of great value to defendants, if they could maintain that position. We find, second,

that there was in the record practically nothing indicating that the Hellmans ever pretended to adopt or claim these words as their trade-mark. They stamped some barrels with the words 'P Crow', or 'J. W. Crow', but no person of this surname had ever been connected with the Hellmans. The Crow, or Old Crow, which, in 1863, had been manufactured in Kentucky for twenty years or more, was at least considerably known on the market. No reason has ever been suggested in this litigation, and we can think of none, why they should put this name on their barrels, unless they intended to indicate that the whisky was that made by Crow of Kentucky. Unless the selection of this name meant that, it meant nothing. Witnesses for the defense frankly stated that in those years it was nothing unusual for jobbers or blenders of whisky to use well-known brands belonging to others, and that if the initial of a proper name was changed, this was thought sufficient in morals to remove any objection to the appropriation. This may be the genesis of the otherwise unexplained use of 'P' and 'J. W'. The Hellmans also used advertising signs 'Celebrated Old Crow Bourbon'. From the record, we must doubt whether these signs antedated 1870. But if they did reach back to 1863, and if they referred to the blend or mixture which the Hellmans produced, it referred to the blend or mixture which the Hellmans produced, it was neither 'Celebrated', nor 'Old', nor 'Crow', nor, unless by chance, 'Bourbon'. It was made by mixing colors and flavors with neutral spirits or high wines, or, sometimes, straight whisky; but, if the latter, it

was whatever they happened to have on hand. Defendants' witness says, 'any brand would do'."

Not a *scintilla* of evidence was offered by petitioners to show either any damage to them nor that any one ever purchased whisky of respondent under the impression that it was petitioners' whisky. Such claim was, of course, knowingly false. Otherwise an attempt would have been made to prove it. The concoction sold by petitioners was so unlike straight whisky that the ground upon which petitioners prevailed in the Eighth Circuit case was that its whisky was so different from respondent's that mistake was out of the question. The Eighth Circuit Court of Appeals' opinion, upon which petitioners rely, shows that they were engaged in business on Pine street, St. Louis, as early as 1862, 1863. That (161 Fed. 502) the only evidence touching the character of the whisky sold by the Hellmans is that it was rectified whisky—a mixture of so-called straight whisky with refined spirits from which, the rectifiers claimed, the largest possible percentage of impurities was removed.

It is obvious that the inevitable result of petitioners escaping punishment for their attempt to pilfer the property of respondent would be the principle involved in the Gresham Law, viz, that the inferior article would run the other out of the market and the public be the loser accordingly.

Wherefore, we submit that the public interest in the question now submitted to this Court is such that this Court in adjudicating a question of national import will not hold itself concluded by any error committed by a subordinate court acting upon a litigation between two private parties.

Also, we submit that when petitioners' alleged privies, the Hellmans, having successfully escaped an injunction upon the ground that their acts were not an infringement of respondent's trade-mark, come to this court to procure it to extend the effect of such adjudication to other circuits upon the ground of a conflict between circuits, this Court will treat the application of petitioners as a submission of the merits of the controversies in both circuits and determine every right as between the parties *de novo*; this Court now having plenary jurisdiction of the subject-matter and (on the theory of privity between petitioners and the Hellmans) over the parties.

B.

What the Eighth Circuit Case Decided.

XIII. All that the Eighth Circuit Court of Appeals decreed was a dismissal of the Gaines bill to enjoin the Hellmans from selling a blended whisky under the trade-mark "Old Crow". That blended whisky was compounded on the Hellman premises in the City of

St. Louis. The Kentucky Court of Appeals has probably a greater familiarity and larger experience with questions involving the difference between straight whisky and blended; rectified or adulterated whisky, than any other English speaking court. What blended whisky is that court has defined in *Brown-Foreman Co. v. Com.*, 125 Ky. Rep. 418, as follows:

“It is a matter of common knowledge that a large part of the whisky used in the United States is rectified; that is, that a barrel of whisky as it comes out of the distillery is adulterated by the rectifiers, so as to make five or six barrels of whisky out of it (see *Taylor v. Taylor*, 85 S. W. 1085, 27 Ky. Law Rep. 628). And it is this business of multiplying the whisky which is distilled that the Legislature imposed the license tax upon.”

In the instant case the subject of blended whisky is not involved. The acts of defendant Rock Spring Company have been strictly limited to the bottling in bond of a nameless whisky made by some unknown and unnamed process. In the former case the Hellmans were permitted to continue their trade in a limited territory loosely referred to as the Lower Mississippi Country, under the name of “Old Crow”, under which name they sold the blended, rectified or adulterated whisky and never sold a regularly distilled or straight whisky.

Precisely this situation has a precedent in Kentucky in the case in which E. H. Taylor, Jr., & Sons, distillers of Old Taylor Whisky, sought to enjoin a defendant also named Taylor, from dealing in a bottled whisky under the name "Kentucky Taylor". The Court of Appeals of Kentucky held that the defendant might be permitted to continue his bottling and sale of blended whisky, upon the theory that it was not in competition with the plaintiff's straight or regularly distilled whisky, and merely required that the defendant mark his product as a blend to prevent imposition and fraud upon the public. As the Court says in *E. H. Taylor, Jr., & Sons Co. v. Taylor*, 124 Ky. Rep. 181:

"The defendant may properly sell his brand of 'Old Kentucky Taylor', provided he so frames his advertisements as to show that it is a blended whisky, but he can not be allowed to impose upon the public a cheaper article, and thus deprive appellant of the fruits of its energy and expenditures by selling his blended whisky under labels or advertisements which conceal the true character of the article, for this would destroy the value of the appellant's trade."

Effect of Dismissal of the Hellman Cross-Bill.

There was a decree dismissing the cross-bill (Rec., pp. 652-653), and that pleading contained the only assertion of title to the mark they were infringing

ever made by the Hellmans. Their appeal from the decree enjoining them embraced an appeal from that decree dismissing the cross-bill.

The Sixth Circuit Court of Appeals says (226 Fed. Rep. 535) "the Hellmans dropped their appeal from the dismissal of their cross-bill, whereby whatever adjudication was carried by such dismissal became final"; and at page 539, "When we turn to the record for further light we find, first, that the defendants' cross-bill claiming the trade-mark ownership was dismissed, and that dismissal became final." * * * "We find in the record practically nothing indicating that the Hellmans ever pretended to adopt or claim these words as their trade-mark." In passing upon the petition for rehearing the Court further said (226 Fed. Rep., at p. 544):

"(13) (e) The petition points out that the opinion, after stating that the Hellmans appealed from the St. Louis decree dismissing their cross-bill asking affirmative relief, then erroneously states that they dropped this appeal 'whereby whatever adjudication was carried by such dismissal became final'. The facts are that the decree below directed an injunction against the Hellmans on the original bill and the dismissal of their cross-bill; that they appealed from each portion of the decree; that in the Court of Appeals their counsel announced that they would not ask affirmative relief, and the Court of Appeals did

not consider that subject; and that the decree below was reversed, and a new decree was entered below, simply dismissing the bill. It is not of controlling importance in what technical situation this final dismissal left the rights claimed by the cross-bill. The persuasive thing is that the Hellmans abandoned any claim to relief on the theory that they had any trade-mark; and it is this conduct that helps to interpret the Eighth Circuit litigation, and tends to support our conclusion that such litigation should not be taken as an adjudication that the Hellmans had adopted and had become the owners of the trade-mark."

Petitioners' brief characterizes the abandonment of the appeal as "forbearance by the Hellmans" (p. 15). This Court has defined forbearance as a "suspension of a legal demand" (Goodman v. Simonds, 20 How. 370). Doubtless petitioners had in mind some colloquial significance in employing this singularly inapt word in this connection.

The Former Case and Case at Bar Compared.

XIV. It will facilitate our examination of the question of former adjudication to analyze the present and former cases as to parties and subject-matter; for convenience we will employ parallel columns.

Case at Bar.

Eighth Circuit Case.

As to the Parties.

Plaintiff,
W. A. Gaines & Com-
pany.
Defendants,
Rock Spring Distilling
Co. and Silas Rosenfeld,
both citizens of Ken-
tucky (Rec., p. 1).

Plaintiff,
W. A. Gaines & Com-
pany.
Defendants,
Abraham M. Hellman
and Moritz Hellman, co-
partners as A. M. Hell-
man & Co. (Rec., p.
208).

Abraham M. Hellman
dies pending suit, Max
Kahn brought in as his
administrator (Rec., p.
207). All citizens of Mis-
souri.

As to the Subject-Matter.

Infringement of the reg-
istered trade-mark OLD
CROW, Certificate No. 74,-
537, registered July 20,
1909, by the defendants in
putting out, after July 21,
1909, in Kentucky, a bot-
tled-in-bond whisky under
the same name, Old Crow
(Rec., p. 5). Defendants
distilled this nameless
whisky at their distillery
in Kentucky, sold it to the
Hellman concern, and bot-
tled it in bond in Ken-
tucky, under labels
marked OLD CROW
(Rec., p. 97).

Infringement of the com-
mon law trade-mark OLD
CROW upon a compound
made by defendants in St.
Louis, Mo. (Rec., p. 211),
prior to March 3, 1905
(Rec., p. 208). These de-
fendants were wholesale
liquor dealers, and the
goods sold by them as
OLD CROW whisky were
compounded by them—
“it was blended whisky—
a mixture of so-called
straight whisky with re-
fined spirits” (Rec., p.
981).

As to Jurisdiction.

Solely dependent on the registration of the trade-mark and place of infringement, and use of the infringing mark in interstate commerce.	Dependent upon diversity of citizenship and amount in controversy.
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Never Any Trade-Mark Use by Hellmans.

XV. The use of the words Old Crow by the Hellmans is characterized by the petitioners as a trade-mark use. That is not true; indeed, it is in conflict with the undisputed facts. Referring to the tabulated sales of defendant's whisky, beginning with one barrel sold March 18, 1863 (R., p. 955), we find that the mark indicated is "P. Crow". This was clearly a fraud. The name of the Kentucky distiller was James Crow. There was no person named P. Crow. Looking through the transcript from the Hellman books on pages 955-970, we find that the Hellmans never made a single sale of Crow whisky (*i. e.*, spurious whisky marked as Crow), in the City of St. Louis, in which they lived and had their place of business. Every sale was made to a small town, and most of those sales were to towns on the lower Mississippi, reached only by an occasional steamboat. The same fraud was being practiced as to the Arnold brand, the Bowen brand, the Magnolia brand and others.

Even the opinion of the Eighth Circuit Court of Appeals, to which we are referred by petitioner, by the page references 977, 982, does not claim there was a trade-mark use. At page 977 the Court says that the Hellmans employed the word Crow in their trade; at the conclusion of that opinion (p. 981), the Court finds that the Hellmans employed the word Crow, or the words Old Crow as "descriptive term" in connection with their business. On page 982, line 3, the Court finds that the Hellmans "are not guilty of infringing on complainant's claimed trade-mark". There is no showing that the Hellmans ever used the mark as a trade-mark. They never advertised it. They never sold goods under it in their own home city. They sold only in small, obscure and remote towns. Their use was stealthy and concealed. Their conduct was rather that of the thief in the night than of the honest trader. Finally, their entire business was fraudulent, as its great bulk, shown in the record, consisted in piracy of four of the leading established brands, to none of which the Hellmans ever lay claim of title. This Court has considered the subject of the acquisition of trade-mark rights in *Hanover Milling Co. v. Metcalf*, where it is pointed out (240 U. S., p. 414), that the trade-mark is merely a protection for the good will, and at page 420, that to take the trade and good will which one company has built up at much expense and confer it upon another who has not acquired by

appropriation and occupancy of territory the right to use the mark "would be a complete perversion of the proper theory of trade-mark rights". In that case the Court was dealing with mere inaction on the part of one of the claims for the use of a mark. In the present case we have a use by the Hellmans which can not be argued to have been anything but fraudulent in its inception, for the mark then used was P. Crow, or J. W. Crow; there were no such persons in existence, and as pointed out in the opinion of the court below, the only object in using those words was the accomplishment of fraud.¹

The whisky sold by the Hellmans was not sold on its merits, but as genuine "Old Crow", to customers who thought they were getting the genuine article, and a straight whisky, not a blend. Their own witness, Schaefer, of Yazoo City, Miss., testifies (Rec., p. 544):

"Q. You don't know who it was distilled by?

A. No, the finest whisky I handled was that whisky and I bought it from I. & L. M. Hellman, and it was graded 'Old Crow'; I don't know who made it.

Q. You bought it believing it to be straight high-grade bourbon whisky?

A. That is it; yes, sir.

Q. And you paid a very high price for it?

A. Yes, sir; my recollection is that it always cost me \$3.00 and upwards."

In passing upon the petition for rehearing the Sixth

¹See note, p. 6; 155 Fed. Rep. at p. 645; 126 Fed. Rep. at p. 539.

Circuit Court of Appeals said (226 Fed. Rep., at p. 544):

(12) (*d*) The opinion is criticised because we hesitated to accept, at its face value, the Hellman testimony regarding the extent of their Old Crow sales, the use of their advertising signs, etc., before 1867. There is a considerable volume of this testimony, but it consists almost wholly of unaided recollections of dates forty years old; and it is that class of testimony which, by decisions familiar in patent cases, the Supreme Court has refused to accept. True, there is in a trade-mark case no initial presumption of validity to be overcome; but the principles for determining the evidential value of testimony can not differ according to the subject-matter of the case.

The decision in the Eighth Circuit is not *res judicata* of the *instant* case. The contest is radically different. In the Eighth Circuit case respondent (Gaines) sued for an injunction against petitioners infringing respondent's trade-mark. The injunction was denied. Under the opinion of the Court of Appeals the denial may have rested upon any of three grounds, viz, (*a*) respondent's laches; (*b*) that petitioners had used the devices complained of before respondent adopted its trade-mark, although the trade-mark had been used upon the same manufacture, at the same place, of the same whisky, and (*c*) that the respondent's trade-mark was confined to straight whisky, while petitioners' use

of the devices in question was confined to a rectified compound of neutral spirits and other articles.

The abandonment, however, by petitioners of their cross-bill wherein they asserted title to the trade-mark, absolutely clinches the point that the Eighth Circuit decision is not *res judicata* of the question in the *instant* case.

The condition of the Eighth Circuit record, therefore, is that respondent sued to enjoin petitioners from infringing its trade-mark "Old Crow" used by respondent solely upon a straight whisky, petitioners filed answer and cross-bill and in the latter claimed title to the trade-mark; the Circuit Court granted the injunction prayed by respondent and dismissed petitioners' cross-bill and petitioners appealed; the Court of Appeals reversed the judgment in respondent's favor granting the injunction, *but accepted the abandonment by petitioners of the appeal* from the judgment of the Circuit Court dismissing their cross-bill. The Court of Appeals said (161 Fed. 497):

"The defendants filed a cross-bill, claiming the trade-mark in question and asking for an injunction. This need not be considered, as at the hearing the defendants' counsel declined to insist upon any affirmative relief."

The adjudication, therefore, in the Eighth Circuit is that respondent had not the right to enjoin the Hell-

mans from continuing to do what they were already doing, but that the Hellmans were adjudicated in the Circuit Court not to be the owners of the brand and trade-mark, and to have no right to any injunction against respondent, *and that such judgment became final and irreversible by reason of the abandonment by petitioners of their cross-bill.*

The position now taken by petitioners is, consequently, absolutely inconsistent with the adjudication in the Eighth Circuit, because they not only claim the right to transact business as theretofore, viz, to use the words "Crow", "Old Crow", "P. Crow", "J. W. Crow", etc., on a whisky rectified on Pine street, St. Louis, but although defeating respondent's suit for injunction upon the ground that their method of transacting business was not an interference with respondent's sales of "straight bourbon and rye whisky", they have now grown so bold as to emigrate to Kentucky and lease a distillery under contract with the owner to manufacture a straight bourbon whisky to be sold to the public as "Old Crow".

The result of petitioners' contention as to the effect of the Eighth Circuit decision is that it leaves respondent at full liberty to use its trade-mark on straight whisky as it has done for fifty years, but that it gives petitioners the right to do exactly the same thing, viz, to use the same trade-mark on straight whisky in Kentucky and elsewhere upon Kentucky

manufacture. That this is an unsound interpretation of the law is well shown by the Court of Appeals for the Sixth Circuit. Petitioners' contention as to the meaning of the Eighth Circuit decision creates a dilemma, viz, that both petitioners and respondents own the trade-mark with unlimited use of it, or respondent owns it, but because of the facts developed in the Eighth Circuit record is not entitled to an injunction against the continuance by petitioners of the acts complained of in that suit.

The immoral attitude of petitioners is demonstrated by their having contended in the Eighth Circuit suit that their use of the words and devices upon a rectified whisky, in the limited territory named, which was outside Kentucky, did not infringe respondent's trade-mark because it was used by respondent on straight whisky only, and emanated from Kentucky, and they are now contending for the right to come to Kentucky, respondent's home, and use the trade-mark "Old Crow" upon a straight whisky manufactured in Kentucky. Of course, it was not the valueless trade-mark (?) on petitioners' rectified concoction which petitioners proposed to use upon a straight whisky manufactured in Kentucky, but what they proposed to do necessarily meant a misrepresentation that the whisky to be manufactured and covered by the trade-mark was the famous whisky of respondent. Petitioners' conduct in undertaking to mis-

appropriate respondent's trade by coming to Kentucky is akin to their original conduct in attempting to use the words "P. Crow", "J. W. Crow", etc., as expounded by the Court of Appeals for the Sixth Circuit (226 Fed. 538; Rec., p. 1019).

In the Sixth Circuit respondent contended, but the Court of Appeals rejected the contention (226 Fed. 538; Rec., pp. 1018, 1019) that the true construction of the Eighth Circuit decision was that petitioners might use their devices as theretofore upon a whisky rectified in St. Louis (but not sold nearer St. Louis than Pilot Knob), and sold in a limited territory, because such use would not infringe respondent's trade-mark on straight whisky, but the Sixth Circuit Court denies respondent's contention upon the ground, *first*, that there can be no distinction taken in trade-marks between different species of the article covered, and, *secondly*, that the question of territorial limitation is one unnecessary to be discussed.

The second question has since been discussed by this Court in *Hanover & Co. v. Metcalf*, 240 U. S. 403. But the Sixth Circuit Court's position upon the first point is unsound, because it matters not whether a trade-mark can be divided between species of the article covered, if the Court whose judgment is considered made such a decision, for the question under discussion is how did the Eighth Circuit Court of Appeals decide this question of law? The only question is, what was the decision?

C.

Privity Between Tort-feasors.

XVI. It is asserted in the petitioners' brief that the respondent has conceded that there was privity between the Hellmans and Rock Spring Company. Such a concession has never been made. It is true in this litigation that the District Court and the Court of Appeals have both held that privity existed; but upon what theory privity exists has not been elaborated by either Court, and we believe that their conclusion in this regard is in conflict with the ruling of this Court in *Rubber Tire Co. v. Goodyear Co.*, 232 U. S. 419, where one who had successfully resisted a bill for patent infringement was held not to be vested with a "transferable immunity" which he could pass on to another charged with infringing the rights of the same plaintiff.

We have always insisted that there could be no privity between successive tort-feasors.

However, this point is not decisive of the present case, as is demonstrated by the fact that the Court of Appeals for the Sixth Circuit decided it against us, although determining the merits of the case in our favor.

D.

**THE DECISION OF THE SIXTH CIRCUIT COURT
OF APPEALS WAS RIGHT AND THERE-
FORE SHOULD NOT BE DISTURBED.**

**XVII. The Evidence That the Words "Old Crow"
Have Always Signified in the Whisky Trade of the
United States the Whisky Produced by Complain-
ant or Its Predecessors in the Use of the Process
of James Crow.**

The testimony is unequivocal and uncontradicted, that when the words "Old Crow" are used in periodicals, price lists and other whisky publications, and in the liquor trade of the United States, they mean the whisky of W. A. Gaines & Company. Documentary evidence of that fact is offered by entries in the price currents of the whisky trade which have been introduced in evidence, and which are published as follows:

H. W. Voss & Co., Cincinnati, O.

Wm. C. Biles & Co., Cincinnati, O.

J. W. Biles & Co., Cincinnati, O.

Specimens of these lists are in evidence (R., pp. 930-931).

About twenty years ago in the City of Chicago the

compilation of a publication containing the whisky trade-marks used in the United States was commenced by William Mida. The result of his efforts was the publication of Mida's Trade-Mark Register, which has been referred to by Judge Colt as "the recognized trade publication known as 'Mida's Register.' "

Heublein v. Adams, 125 Fed. Rep. 782-783.

The editor and publisher of this publication, William Mida, was called as a witness by the complainant, and testified to his familiarity as a broker in whiskies and as a publisher of periodicals dealing with the whisky trade, to the effect that during the period of thirty-six years past, his transactions with the wholesale liquor trade have covered every section of the country; in the capacity of a broker his transactions have been extended all over the United States, and as a publisher his paper circulates in every section of the country. He was then asked the following questions:

"Q. 13. Please state what the words 'Old Crow,' as applied to whisky, signify in the wholesale trade of the United States with which you are acquainted.

A. 'Old Crow' is recognized as a brand of one of the finest whiskies made in the country; and has been so recognized since I have been connected with the wholesale liquor interest, either

in the capacity of a representative or as a broker.

Q. To whose product are those words understood by the liquor trade of the United States to refer?

A. It refers to the product of W. A. Gaines & Company, Frankfort, Kentucky.

Q. 15. Has this been true during all of the period to which you have referred, covering your experience?

A. Yes.

Q. 16. What would be the effect of offering to the public a whisky not produced by Gaines & Company, under the trade-mark 'Old Crow'?

A. It would be regarded as a substitution or infringement." (R., p. 365).

Mr. Mida was a whisky broker in the City of St. Louis thirty-six years ago (R., p. 221); engaged in the whisky business in St. Louis in 1869, at which time the "Old Crow" whisky of W. A. Gaines & Company was being bought and sold in the St. Louis market. The witness testifies, "I never heard of 'Old Crow' being either offered, sold or claimed by I. & L. M. Hellman to use in connection with their whisky as their own brand" (R., p. 365).

CHARLES H. HERMANN, secretary of Chapin & Gore, of Chicago, testified:

"Q. 12. What does the brand 'Old Crow', as applied to whisky signify?

A. I should take it that it signifies a certain

grade of whisky and a trade-mark. We can sell 'Old Crow' whisky without showing samples of it by merely saying it is 'Old Crow,' because 'Old Crow' means a certain grade of whisky.

Q. 14. Whose whisky does it indicate?

A. W. A. Gaines & Company, of Frankfort, Ky.

Q. 15. Have you ever known or heard of any 'Old Crow' whisky which was not the 'Old Crow' whisky of W. A. Gaines & Company?

A. I never heard of any whisky named 'Old Crow' unless it was the whisky of W. A. Gaines & Company of Frankfort, Kentucky.

Q. 17. If it was a better whisky than that of W. A. Gaines & Company, what would be the effect?

A. I repeat that I think it would be a great loss to Gaines & Company, also to all wholesalers who handle the genuine article, and I would consider it a great swindle upon the consuming public" (R., p. 355).

The witness also identified a photograph of an advertisement of "Old Crow" whisky in the Chicago Times of Saturday, December 15, 1877; quoting "Old Crow," of 1872 (R., p. 682).

With reference to the whisky price lists in evidence, Edson Bradley, Vice-President of W. A. Gaines & Company, has testified that where the words "Old Crow" occur in those price lists they mean the "Old Crow" whisky of W. A. Gaines &

Company, distilled at their Old Crow Distillery in Woodford County, Kentucky. He says no other whisky than W. A. Gaines & Company's distillation could be meant, as none other was ever quoted in any broker's price list in the country (R., p. 631).

The firm of I. & L. M. Hellman, from whom the defendants claim to have acquired their right to use the mark "Old Crow," was located in the City of St. Louis and had no place of business anywhere else so far as the record discloses.

They are assumed, but not proven, by any competent evidence on the part of the defendants, to have applied the words "P. Crow" or the name "J. W. Crow" to some sort of distilled spirits or compound of which the formula or ingredients are not given, made on their premises in the City of St. Louis. The record evidence shows that the Hellman concern, under one title or another, has been in business in St. Louis during a number of years. It has therefore become expedient to inquire into what their method of using the name "Crow" was; whether it was an open assertion of a right, or a stealthy, obscure use which was not known to any of their competitors in the City of St. Louis. Accordingly, the testimony of the following persons, including the representatives of practically every wholesale liquor house in St. Louis doing business at the present time, was taken.

DAVID NICHOLSON of the house of DAVID NICHOLSON, testifies that the house of David Nicholson was founded in 1843 in the City of St. Louis and that he has been connected with the house since 1867, during all of which time the house has handled liquors. He has been acquainted with the "Old Crow" whisky of W. A. Gaines & Company about twenty-five years, and his house bottles it (R., p. 388) under a label which is shown at R., page 694. He was acquainted with Abraham M. Hellman for about twenty years. Concerning the assertion of any claim of A. M. Hellman & Company to the trade-mark in issue, he says:

"Q. 17. During that time did you ever hear of the firm of A. M. Hellman & Company asserting any claim to right or title of the trade-mark 'Old Crow' for whisky?

A. Except as their own bottling.

Q. 18. Please explain your last answer.

A. They had a piece of bottled goods on the market which they called 'Old Crow' whisky, but it was supposed to be Gaines' whisky. Gaines was the only man we knew that made 'Old Crow' whisky.

Q. 19. Did you ever hear of A. M. Hellman & Company making any claim that they owned the trade-mark for whisky consisting of the words 'Old Crow'?

A. No" (R., p. 389).

HERMAN A. STEINWENDER, of H. A. STEINWENDER & COMPANY, 65 years of age, has resided in St. Louis for fifty years, and has been engaged in the liquor business in St. Louis for about forty years (R., p. 395).

For thirty-eight years he was connected with the firm of Steinwender & Sellner (R., p. 396).

At the present time H. A. Steinwender & Company bottle W. A. Gaines & Co.'s "Old Crow" whisky under the label appearing at R., page 692. He has handled W. A. Gaines & Co.'s "Old Crow" whisky for twenty-five years (R., p. 396). During that time the words "Old Crow" have always indicated to his mind the whisky of W. A. Gaines & Company (Q. 14 and Answer, R., p. 396).

The witness has sold his own bottling of W. A. Gaines & Co.'s Old Crow whisky throughout the States of Missouri, Illinois, Iowa, Nebraska, Texas and Colorado.

He was acquainted with the firm of A. M. Hellman & Company for about thirty years and knew its predecessor, the firm of I. & L. M. Hellman. During all of that time he never heard of either of those firms claiming to own the trade-mark for whisky consisting of the words "Old Crow" (R., p. 397).

ALBERT C. SELLNER, 65 years of age, and a resident of St. Louis since 1870, is Treasurer and

Manager of STEINWENDER & SELLNER MERCANTILE COMPANY. Has been acquainted with W. A. Gaines & Company in a business way since 1870. During the past fifteen years his corporation and its predecessors, Steinwender & Sellner, have bottled the "Old Crow" whisky of the complainant under the label shown on R., page 693, and have sold that bottling in New York, Indiana, Illinois, Idaho, Wyoming and Colorado (R., p. 404).

Witness was acquainted with the late Abraham M. Hellman and his firm and did some business with the firm. He knew Hellman for the past thirty years (R., p. 405).

He first heard about three or four years ago that the Hellman house made a claim to the trade-mark "Old Crow." During the time that the witness has been engaged in business in St. Louis the words have indicated to his mind the whisky of W. A. Gaines & Co. (R., pp. 405-406).

LOUIS IDLER, Secretary and Treasurer of the A. MOLL GROCER COMPANY of St. Louis, has been familiar with the "Old Crow" whisky of W. A. Gaines & Company for twenty years. Ever since he has been connected with the concern they have bottled it under the labels shown at R., pp. 690-691. During all of that period the name "Old Crow" has meant to his mind the whisky of W. A. Gaines & Company. He was acquainted with A. M. Hell-

man in his lifetime and the firm of A. M. Hellman & Company and never heard of A. M. Hellman claiming or using the name "Old Crow" previous to the institution of this suit (R., p. 417).

AUSTIN CARTER, Manager of JOHN W. HOWARD LIQUOR COMPANY of St. Louis, has resided in St. Louis since 1887, and has been engaged with John W. Howard for the past fifteen years, and during that time the words "Old Crow" have indicated to his mind the whisky of Gaines & Company (R., p. 460).

Having thus examined practically all the prominent wholesale liquor dealers of St. Louis, the complainant called a number of representatives of the better class of restaurants, hotels and bars. Their testimony is as follows:

LYMAN T. HAY, manager of the JEFFERSON HOTEL, St. Louis, and of the ARLINGTON and EASTMAN HOTELS, of Hot Springs, Arkansas, has been engaged in the hotel business for twenty-two years and has had charge of the bars since March, 1893, and has a general supervision of the buyers for his houses. In buying large quantities they submit the prices to the witness before buying (R., p. 379).

Has been acquainted with the "Old Crow" whisky of W. A. Gaines & Company for ten or twelve years, and has bought a good deal of it. The whisky has

been sold at all three of his hotels. During that time he has never known of any "Old Crow" whisky produced or claimed to be produced by A. M. Hellman & Company of St. Louis (R., p. 379).

GEORGE J. KNAPP, manager of the bar of the LIPPE RESTAURANT in the Chemical Building, St. Louis, has been manager of that bar for the past eight years and has been in the liquor business in Cincinnati, Ohio, Put-in-Bay, Ohio, Detroit, Mich., and St. Louis for fifteen to seventeen years, all told. Wherever he has been he has handled the "Old Crow" whisky of W. A. Gaines & Company, and during the past sixteen or seventeen years the words "Old Crow" have always indicated the whisky of W. A. Gaines & Company to his mind. In his language, "I never heard of any Crow but Gaines' Crow" (R., p. 437).

JAMES H. McTAGUE, proprietor of McTAGUE'S RESTAURANT, Century Building, St. Louis, 47 years of age, lived in St. Louis nine years past. Prior to that time he was in the restaurant business in Omaha for about eleven years. The witness has dealt directly or indirectly in "Old Crow" whisky since 1876. During the past twenty years the words "Old Crow" have indicated to his mind W. A. Gaines & Company. He never heard of A. M. Hellman & Company making any claim to the ownership of the trade-mark "Old Crow" (R., p. 433).

JOHN A. SPECHT, restaurant proprietor, 114 North Fourth street, was engaged in the liquor business beginning along in the seventies. Went into business for himself in 1891. Has been acquainted with the "Old Crow" whisky of W. A. Gaines & Company for twenty years past. During that time the name "Old Crow" has indicated to his mind the "Old Crow" whisky of W. A. Gaines & Company. Never heard of any claim of ownership to the mark "Old Crow" by Hellman & Company (R., p. 429).

PATRICK J. CARMODY, 70 years of age, resident of St. Louis, has been in the liquor business for forty years. Was at Moberly, Mo., for about thirteen years and has been acquainted with the "Old Crow" whisky of Gaines & Company about thirty years. When asked whose whisky the name "Old Crow" has indicated to his mind during that period, the witness says:

"I have never known any except Gaines & Company, W. A. Gaines & Company, I believe it is. It was understood that they were the legitimate makers of that goods. I never handled the goods myself, but I have known those who have handled, and I never knew of any one having the 'Old Crow' except W. A. Gaines & Son, or W. A. Gaines & Co.; I don't know which it is" (R., p. 422).

Witness was visited by the traveling salesmen of A. M. Hellman & Company and thinks he bought a bill of goods from them once, but never heard of any claim being made by A. M. Hellman & Company of owning the trade-mark "Old Crow" (R., p. 422).

JOHN T. McMAHON, 46 years of age, residing in St. Louis and having his place of business at 724 Olive street, has been engaged in the retail liquor business in the City of St. Louis for the past two years, and prior to that was engaged in the same business in Kansas City, Mo. During the past twenty years he has been engaged in the liquor business in the State of Missouri and has been acquainted with the "Old Crow" whisky of W. A. Gaines & Company all of that time. The words "Old Crow" have indicated the whisky of Gaines during all that time. "Gaines' Old Crow is all that I ever knew" (R., p. 412). He has handled the "Old Crow" whisky in his business and has never known of any other "Old Crow" whisky except that of W. A. Gaines & Co. (R., p. 412).

The present meaning of the words "Old Crow" as applied to whisky is uncontradicted in the evidence, and, in fact, it is affirmatively shown by the defendants' own witnesses that the words "Old Crow" have come to mean, always and everywhere, the whisky of W. A. Gaines & Company, produced at its distillery on Glenn's Creek in Woodford

County, Ky. (See testimony of Charles H. Hermann, R. p. 355, William Mida, R. p. 365, David Nicholson, R. p. 389, Herman A. Steinwender, R. p. 396, Albert C. Sellner, R. p. 406, John T. McMahon, R. p. 412, Louis Idler, R. p. 416, Patrick J. Carmody, R. p. 422, John A. Specht, R. p. 429, James H. McTague, R. p. 433, George J. Knapp, R. p. 437, Austin Carter, R. p. 460; and the testimony of the following witnesses *for the defendants*: William N. Hobart, R. p. 578, Abraham Rheinstrom, R. p. 594, and see the cross-examination of John S. Morrin, R. p. 622, as to the meaning of the words "Old Crow" in the whisky trade).

Thus Hobart, as a witness for defendants, testifies:

"XQ. 10. Are you familiar with the leading price lists of the whisky trade?

A. Now? Oh, yes.

XQ. 11. Please name the principal ones.

A. Those in Cincinnati, you mean? They are in Cincinnati, anyhow. I don't know of any large price lists—there are circulars—but the only regular price lists, I think, come from Cincinnati, H. W. Voss & Co., W. C. Biles & Co., and the J. W. Biles Co., and M. Durner & Co.

XQ. 12. Do you use those price lists?

A. I refer to them.

XQ. 13. When the words 'Old Crow' appear listed in one of those price lists, whose whisky do they mean?

A. That refers to the whisky made by W. A. Gaines & Co." (R., p. 578).

And Rheinstrom, also defendants' witness, testifies:

"XQ. 5. Are you familiar with the manner in which the 'Old Crow' whisky of W. A. Gaines & Co. is listed in the price currents of the whisky trade?

A. I know it to be listed as 'Crow' Whisky.

XQ. 6. You know it to be a fact, do you not, Mr. Rheinstrom, that where the words 'Old Crow' appear in those price currents, that they refer to the W. A. Gaines & Co. whisky?

A. Of course the price currents of today quote that as Crow, of course; but at the time that this book applies there was no such thing as price currents.

XQ. 7. But there have been price currents for many years, have there not?

A. Yes, those price currents go back as far as the eighties.

XQ. 8. What are some of the principal price currents of the trade?

A. Biles, Durner.

XQ. 9. Voss?

A. Voss.

XQ. 10. And where the words 'Old Crow' appear in those price lists, they indicate whisky of W. A. Gaines & Co., do they not?

A. I think so" (R., p. 593).

And John S. Morrin, also defendants' witness, says:

“Q. Are you familiar with the standard price lists used in the whisky trade in the United States?

A. Yes, sir.

Q. Can you name some of those price lists?

A. Yes, there is J. W. Biles' and W. C. Biles' list, Voss' list, and several others.

Q. Whenever 'Old Crow' is listed in those price lists it means the whisky of W. A. Gaines & Co., does it not?

A. That is the way I understand it” (R., p. 622).

**The Use of the Words “P. Crow” or “J. W. Crow”
by I. & L. M. Hellman, Was Too Trifling to Create
Any Right in Them.**

XVIII. The reason that underlies the equitable doctrines we are here invoking is that a trade-mark is a mark that means something to the trade in which it is used. The solitary sale of a few gallons of whisky in the year 1863 was relied upon in the Eighth Circuit case to support the claim of title to the trade-mark OLD CROW set up by the Hellmans in their cross-bill. From the decree of the Circuit Court dismissing that cross-bill they dismissed their appeal. What is the significance of these facts?

Is it not an admission that the use of P. and J. W. was evidence of fraud in itself, as found by the Circuit Court?

See list of sales, *post*, p. 122.

The Other Contemporaneous Frauds of I. & L. M. Hellman Should Be Considered.

XIX. The Circuit Court of Appeals of the Seventh Circuit has established the rule that in cases of this kind it is proper to consider evidence of the commission of other frauds of the same kind, committed by the defendant at the same time, as evidence of the fraudulent design of the defendant.

Charles E. Hires Co. v. Consumers' Co., 100
Fed. Rep. 809, 812, 41 C. C. A. 71.

The Hellman establishment, as Urner testifies (Rec., p. 514), at the same time that it was manufacturing the spurious "Crow" whisky, was making, branding and selling in the same manner a mixture of neutral spirits and other substances under the brand "Magnolia." The Hellmans had the same kind of "title" to the brand "Magnolia" that they had to the brand "P. Crow" and "J. W. Crow," *i. e.*, the title acquired by larceny. In proof of this, we need only refer to the history of the "Magnolia" brand, as narrated by Mr. Justice Field, showing that brand to have been adopted by S. N. Pike of Cincinnati

in 1849, and used continuously by him and his successors ever since.

Kidd v. Johnson, 100 U. S. 617.

Effect of the Eighth Circuit Decision.

XX. We confidently assert that it is absolutely demonstrated by the Eighth Circuit litigation that appellant's title to its brands and trade-mark are indubitably established and Hellman's pretensions held a fraud, and it was so decided in the Circuit Court and the Sixth Circuit Court of Appeals, and this Court will not permit the destruction of appellant's property, acquired and realized at an expense of nearly a quarter of a million dollars expended in advertising, etc., in all parts of the territory of the United States and Canada, by a concern which had pirated appellant's trade-marks on a few barrels of rectified stuff distributed over three or four States, unless the fraud be absolutely sanctified by the judgment of the Eighth Circuit Court of Appeals.

What Happened After the Eighth Circuit Decision

XXI. Abraham M. Hellman died during the pendency of the former suit. The Hellman Distilling Co. was formed, but when Hellman's heirs licensed the corporation to take over what rights they thought were conferred on them by the Court of Appeals

they did so with some manner of reservation. All the Hellman interests were resolved to get a Kentucky distiller to put up a straight whisky under the infringing Crow brand, and the correspondence in the record is between A. J. Freiberg, a Cincinnati lawyer representing the Hellman heirs, Arthur Rosenfeld, the Rock Spring agent at St. Louis, and the defendant Silas Rosenfeld.

This correspondence throws a flood of light upon the present case.

Rosenfeld's Cross-Examination Exhibit

No. 20 (Rec., p. 1001).

Arthur Rosenfeld

Room 814 Chemical Building

Representing St. Louis, Mo., April 23, 1909.

Rock Spring Distilling Co.

and Owensboro Distilling Co.

of Owensboro, Ky.

The Rock Spring Distilling Company,

Owensboro, Ky.

Gentlemen:—

* * * * *

The Hellman Dis. Co. want 300 or 325 barrels of whiskey made in their name as distillers so they can bottle the goods in bond in their name as distillers. They want the terms on these goods to be four years from date of production and will give their note for one year and pay the interest semi-annually, which is to be 6 per

cent per annum. Of course we would hold the warehouse receipts and whenever they want any of the goods they would have to pay us for them. These goods are to be branded Old Crow. They have been offered this proposition by some other houses and stated they would give us the preference. I am in favor of giving them this time on the goods. Mr. Hirsch has met all the members of this firm personally. They are honest and upright and *this brand is very valuable, and I do not see how we can lose if they do not take the goods.* They are to pay 35 cents per gallon. Kindly let me know by return mail what you think of their proposition.

(Signed) Arthur Rosenfeld.

Rosenfeld's Cross-Examination Exhibit

No. 14 (Rec., p. 999).

A. J. Freiberg
Lawyer
Union Trust Building
Cincinnati

June 19th, 1909.

Rock Spring Distilling Co.,
Owensboro, Ky.

Gentlemen:—

I have just returned from the Atlantic City meeting and find your letter of June 12th.

The Hellman Distilling Co. have not as yet submitted to me the label which I recommended to them, but I have no doubt they will do so in a few days.

You ask me to inform you *the conditions* and *the duration of the right* to use the label given the Hellman Distilling Co. I would be glad to give you all those conditions, and I really see no reason to conceal them. But inasmuch as it is a matter of private contract between the Hellman heirs and the Hellman Distilling Co., I presume I ought not to presume to give out that contract unless they authorize me to do so. You of course appreciate that they have the right to be consulted. You might write to them direct, telling them I have no objection to your knowing fully what the conditions are, and they will probably arrange to let you know in full. So far as I remember, I gave to the Messrs. Rosenfeld a complete resume of that contract verbally. * * *

Very truly yours,

(Signed) A. J. Freiberg.

Rosenfeld's Cross-Examination Exhibit

No. 8 (Rec., p. 996).

Jan 27/1910.

Mr. A. J. Freiberg,

Cincinnati, O.

Dear Sir:—

Referring to our conversation in reference to the purchase of $\frac{3}{4}$ interest in Hellman's Old Crow brand, will say we shall close the option under the following conditions.

A note for \$15000.00—5 per cent interest, endorsed by Silas and Arthur Rosenfeld. *Note to be paid when the courts decide that the brand*

can be used by Hellman estate on all kinds of whiskey.

In case suit is finally decided against Hellman estate, then the note and interest are to be returned to us.

The bill of sale to be made *to such party as we may name*, in case the above conditions meet your approval, draw up a contract and note and we shall consummate the deal.

Yours truly,

Silas Rosenfeld.

Rosenfeld's Cross-Examination Exhibit

No. 13 (Rec., p. 998).

A. J. Freiberg

Lawyer

Union Trust Building

Cincinnati

February 1st, 1910.

Mr. Silas Rosenfeld,

Rock Spring Distilling Co.,

Owensboro, Ky.

Dear Sir:—

On my return from Washington I found your letter of January 27th, with reference to the purchase of the interests I represent in the Old Crow brand.

I do not believe you meant to say just what you did say in your letter, to-wit: "Note to be paid when the courts decide that the brand can be used by Hellman estate on all kinds of whiskey."

What I proposed was this.—That you were to pay \$15,000 for our interest in the brand, partly cash and part on time if you wished it so, with interest on the deferred payments, and that in case you won the suit at Owensboro but the upper court reversed it against you, then and in such case I would stand ready to refund the money with the notes and interest accrued thereon; and I think that I ~~can~~ still get the heirs to consent to that proposition. I did not say that I would guarantee that the case in the lower court would be decided in your favor, although in fact I do think it will be.

You will remember my saying that after you have the case decided in your favor, my price might very likely be higher than \$15,000.00. In other words, *if there is any speculating to be done, I am willing to speculate to this extent:* That if the trial court decides in your favor, it will not be reversed by the upper court, but I expected you to do a certain amount of speculating in the decision of the lower court.

You will remember also that I took the point of view as it seemed to me that it would be far better for you to wait until the lower court had decided the case. Nor should I enjoy having your \$15,000.00 if the lower court should by any chance decide against you.

This letter does not mean at all that I have any fear of what the lower court will do. The decision of the Court of Appeals in St. Louis is an absolute bar to the action that has been brought against you, and even if by any chance you should lose in the lower court, I am satisfied

that the Court of Appeals here would set the lower court right.

To sum up, therefore, I am quite willing to wait until after the lower court decides the case, in which event I shall take the liberty of increasing the price. If, on the other hand, you desire to pay \$15,000.00 either in cash or on time for our interest in the brand, I am almost sure I can prevail upon the heirs to accept the proposition, with the further guaranty that in case the *upper court* decides against you, I am willing to have the money refunded. You see from this that I have pretty deep confidence in what the upper court will do in this matter.

With my best wishes to you, I am,

Yours very truly,

A. J. Freiberg.

But the Rosenfelds did not want their name or that of their distillery to appear in the transaction.

Rosenfeld's Cross-Examination Exhibit

No. 7 (Rec., p. 996).

Feb. 5th, 1910.

Mr. A. J. Freiberg,

Cincinnati, O.

Dear Sir:—

Your letter of the first to hand and in reply will say if you and the Hellman heirs consent to the sale of the Old Crow brand to Arthur Rosenfeld and myself for \$15000.00, a note to be given, interest at 5 per cent per annum, and

in case the upper court decide the brand cannot be used, then you are to return us the note and interest. *If this proposition is accepted, make out the bill of sale to M. L. Mayer and also the note and Arthur Rosenfeld and myself.*

Yours truly,

(Signed) Silas Rosenfeld.

The negotiations fell through.

These letters may be appropriately described as an unconscious revelation of psychological conditions. They were not intended, when written, to be a part of this record.

CONCLUSION.

XXII. In the Eighth Circuit case the trial judge found explicitly that the early use of the marks "P. Crow" and "J. W. Crow" by the Hellmans was fraudulent. It should be remembered that Crow's real name was James C. Crow (Rec., p. 333).

We read (155 Fed. Rep. 645):

"The defendants have shown by some evidence in the case that they used the words 'P. Crow' and 'J. W. Crow' on packages put up by them. Why were they so used? No one by the name of 'P. Crow' or 'J. W. Crow' was ever in the employ of the defendants, and no satisfactory reason is given for the employment of the name or names. The evidence, on the other hand, is overwhelming, and is practically uncontradicted, that

James Crow began distilling whisky in Kentucky as far back as 1835, and so continued until his death in 1855, that during all of that time he used on the packages containing whisky made by him the words 'Crow' or 'Old Crow', and that from 1867 until the present time the complainant and its predecessors have used the words 'Old Crow' in designating the whisky made by them."

The Eighth Circuit Court of Appeals disregarded this finding of fraud, and ignored the facts on which it was based.

The Court in so doing did precisely what this Court reversed it for in the recent case of *Adamson v. Gilliland*, No. 396, decided at this term; and the trial judge in that case was the same (Judge David P. Dyer).

In that opinion this Court reaffirms the rule that the finding of the trial judge, so far as it "depends upon conflicting testimony or upon the credibility of witnesses, or so far as there is any testimony consistent with the finding, must be treated as unassailable" (*Davis v. Schwartz*, 155 U. S. 631, 636).

The decree of the Eighth Circuit Court of Appeals, so far from following this rule, decided the issue of fraud in the very teeth of all the undisputed facts. We argued in the Sixth Circuit that an opinion from a co-ordinate court which reverses a decree finding actual fraud, in defiance of the facts, was entitled

to no consideration anywhere, outside of the circuit of its rendition.

Even if that Court of Appeals was bound by such a former decision, is it possible that this Court is helpless to inquire into the facts, and redress the wrong, and protect the public from further imposition and fraud at the hands of commercial pirates who are diverting the plaintiff's trade and passing off spurious goods upon the public?

This Court must determine what was decided in the Eighth Circuit. It must see that in order to reverse the Circuit Court, the vital evidences of fraud were ignored by the Court of Appeals; and, in that event (the truth of which can be ascertained by a simple casual comparative reading of the two Eighth Circuit opinions) is this Court helpless to redress a flagrant wrong, which it was asked at the time to review by *certiorari*? (212 U. S. 572.)

The compounding cellar of the Hellman establishment at St. Louis can only be characterized as a veritable cess-pool of fraud. Magnolia, Arnold, Bowen or Crow whisky was manufactured regardless of the ownership of those valuable brands, to none of which did the Hellmans have any shadow or pretense of title.

This high Court will never, we hope, again have pre-

sented to it a claim so impudent, so shameless, as that of the petitioner, of right to persist in open and notorious trade-mark piracy; not only the right to steal the plaintiff's trade, built up by fifty years of industry and integrity, and a quarter of a million in advertising, but of right to continue to defraud the purchasing public, by substituting on orders (of physicians, hospitals or other consumers) for the genuine Old Crow whisky of the plaintiff, the cheap, inferior and nameless substitute of an unknown and wilfully nameless competing distillery.

The decree of the Sixth Circuit Court of Appeals should be affirmed, but with directions to order an accounting.

Respectfully submitted,

EDMUND F. TRABUE,

DANIEL W. LINDSEY,

JAMES L. HOPKINS,

Counsel for Respondent.

March 24, 1917.



APPENDIX.

THE FACTS IN THE EIGHTH CIRCUIT CASE.*

The facts disclosed by the record in the former case in the Eighth Circuit were as follows:

Complainant's Testimony.

EDSON BRADLEY has been vice-president of the complainant corporation since 1887. Prior to that time was a member of the firm of W. A. Gaines & Co. from 1880 to 1887, and has been engaged in the direction of the complainant corporation since 1875 (R., p. 244).

Complainant is the owner of the Old Crow Distillery of Woodford County, Kentucky (R., p. 244).

The product of the Old Crow Distillery is a high-grade sour mash, bourbon and rye whisky, every barrel of which has been branded "Old Crow Bourbon," or "Old Crow Rye," and distilled in the name of W. A. Gaines & Co. (R., p. 244).

Witness has been at the head of one of the largest whisky houses in the United States for over thirty years, Paris-Allen & Company, of New York; during that time has purchased hundreds of thousands of barrels of whisky made by distillers all over the

*NOTE.—That entire record is evidence in this case under stipulation (Rec., p. 164).

United States, and has examined and compared samples of almost all the well-known whiskies and is thoroughly familiar with them.

Witness has examined samples of whisky purchased from the infringers of the "Old Crow" and "Hermitage" trade-marks of W. A. Gaines & Co., which were the basis of several thousand suits brought by W. A. Gaines & Co. against infringers of their trade-mark (R., p. 245).

The product of the Old Crow Distillery of the complainant stands at the head of all the bourbon whiskies distilled in the State of Kentucky, and always has, both as to quality and price (R., p. 245).

Witness is acquainted with the liquor trade of the United States in every part of the country (R., p. 245).

The words "Old Crow" as applied to whisky signify always the very highest grade of whisky and the whisky made by W. A. Gaines & Company of Frankfort, Ky. (R., p. 245).

The "Old Crow" whisky produced by the complainant at its "Old Crow" Distillery is packed for distribution to the trade "in barrels containing about forty-six to forty-seven gallons, bearing the Internal Revenue, warehouse and tax paid, stamps on the so-called Government head of the barrel, and bearing upon the other head, known as the commercial head, the distillery brand containing the words

'Old Crow,' and the name of W. A. Gaines & Co., which brand is burnt into the head of the barrel with a firebrand. It is also sold in cases put up under the Bottling in Bond law on the distillery premises under the supervision of internal revenue officers, and these cases and the bottles therein also bear the internal revenue stamps provided by the Government. To a small extent it has also been bottled by W. A. Gaines & Co. out of bond for themselves and for a few special customers, and all of these bottlings bear distinctive labels and marks showing that it originated in their hands" (R., p. 245).

The "Old Crow" whisky is bottled by the purchasers under the trade-mark "Old Crow" very extensively, the whisky being bought in the original packages, delivered to the customers on their premises, put into bottles and cases under descriptive labels, and sold as the individual bottlings of the trade (R., p. 245).

"In some cases the word 'Crow' on these labels has been omitted entirely, the bottler using the word 'Old' and 'Whisky,' inserting the symbol of a crow between those words, depending upon the familiarity of the consuming public with the name of this whisky, and the use of this symbol to convey the intended meaning, namely, that the bottle contained Old Crow whisky. This special device has almost invariably been employed by those who bottled a spurious arti-

cle, they evidently believing by omitting the word 'Crow' they evaded prosecution. The symbol of a crow has been used, however, on a very large percentage of genuine bottling of Old Crow whisky, so that it has become very fully identified with the brand" (R., p. 246).

"Practically every lithographer in the United States has in his stock of ready-made labels numerous styles of whisky labels bearing the words 'Old Crow.' Nearly all of these are unobjectionable and properly describe the whisky to be put in the bottle where the bottle is genuine Old Crow distilled by W. A. Gaines & Co. Where an improper label is adopted and the fact known to W. A. Gaines & Co., they have put an end to it. These lithographers sell their labels to wholesale dealers all over the country who bottle Old Crow whisky made by W. A. Gaines & Co." (R., p. 246).

The label, "Complainant's Exhibit Hellman Label," embodying the picture of a crow "is one of the very common devices employed by the lithographers on their stock labels for Old Crow whisky" (R., p. 247).

The production of "Old Crow" whisky by the complainant and its predecessors has been continuous since witness' first connection with the business in 1875 and has uniformly been made by the same process, "excepting only some occasional very slight variations in the way of experiment, producing very

limited quantities of whisky. These variations, however, were very slight, and in no way affected the quality or changed the quality of the product" (R., p. 247).

Interrogated as to his interests in whisky trade-marks other than those of complainant, tending to give witness expert knowledge of the value of American whisky trade-marks, he testified as follows:

"I am, and have been since its incorporation, president of the Kentucky Distilleries and Warehouse Company, which corporation owns or controls a very large percentage of all the fine whisky trade-marks of the State of Kentucky, numbering in all over one hundred; included among them are the oldest and most prominent brands of the State, exclusive of the Old Crow and Hermitage trade-marks of W. A. Gaines & Co. I am also vice-president of the Distilleries Securities Corporation, the holding company which holds and controls the Kentucky Distilleries & Warehouse Company, the Standard Distilling & Distributing Company and The Hannis Distilling Company, all of which corporations have very valuable and prominent trade-marks" (R., p. 247).

In the course of witness' connection with the various corporations named, he has had to do with the buying and selling of whisky trade-marks as follows:

"My company, the Kentucky Distilleries &

Warehouse Company, purchased from the original owners of distilleries and trade-marks in Kentucky all of the trade-marks which it now controls. Of course, as president of that company, I had personal charge of all this business" (R., p. 247).

Based upon his expert knowledge of the values of whisky trade-marks, the witness gives his opinion of the value of the complainant's trade-mark consisting of the words "Old Crow" as "Not less than \$500,000" (R., p. 247).

The City of St. Louis, Missouri, is a very large market for "Old Crow" and has been ever since 1875 (R., p. 248).

It would not have been possible at any time, since 1875, for any person to have sold in the City of St. Louis under the mark "Crow" or "Old Crow" a whisky not produced by the complainant or its predecessors, without diverting from the complainant or its predecessors' trade which belonged to the complainant or such predecessors (R., p. 248).

Complainant has advertised its trade-mark "Old Crow" very extensively throughout the United States since 1875, certainly to the extent of more than a quarter of a million dollars (R., p. 248).

Edward C. Homan (referred to in defendants' testimony) was a salesman for Paris-Allen & Company, New York, from some time in the seventies

until the date of his death. He was never in the employ of the complainant, W. A. Gaines & Co. (R., p. 248).

Witness had no knowledge of the defendants making any claim of title to the trade-mark of "Crow" or "Old Crow" until just prior to the time when the complainant brought this suit (R., p. 248).

As to the allegation of the answer that, "The whisky produced by the complainant and sold by it under the name of 'Crow' or 'Old Crow' represented by it to be whisky of superior excellence, is in point of fact a whisky containing a large and dangerous percentage of fusel oil, a deadly poison, and a large percentage of other dangerous and deleterious impurities, and that the same is unwholesome and impure, and that the same has not been subjected to any process of rectification, blending, or vatting for the purpose of removing such dangerous and deleterious impurities, and that in representing such whiskies to be pure and of superior excellence, the complainant is guilty of fraud upon the public, especially upon purchasers or consumers of whisky," the witness states:

"The statement dictated by you is entirely misleading, and broadly stated, false, except as to the allegation that the Old Crow whisky is not vatted or blended. This statement is strictly true, as the Old Crow whisky is a perfectly

straight originally distilled whisky, whereas if it were blended or vatted it would be mixed and adulterated necessarily.

“The facts in regard to the Old Crow whisky are these: In its distillation the liquid part of the material is vaporized by heat, and this vapor condensed in two distinct operations called singling and doubling in the old-fashioned parlance of the distiller. In these processes of distillation, there is necessarily no reclaim of substances having a lower boiling temperature than the mixture of alcohol and water introduced into the stills, except that as the distillation proceeds and the residue in the still becomes reduced in alcoholic strength, some of the bodies boiling at higher temperatures, including the water, pass over and are condensed and reclaimed. By this process of distillation a partial refining or rectification of the original beer and whisky is effected, consequently it is not true that no purification of the whisky occurs in the process. The whisky thus produced at the Old Crow Distillery does contain, as all grain spirits when first distilled must contain, a certain percentage of so-called fusel oil made up of several bodies, some of which are little understood by chemists. The percentage of fusel oil, however, in this whisky is never sufficient, when the whisky is made as at the Old Crow Distillery, to be deleterious to health or in any way objectionable after the whisky has been stored in an oaken barrel a reasonable length of time in order that this fusel oil to a large extent shall be converted

into harmless and desirable ethers which impart to a fine old whisky its characteristic flavor. Even if this whisky were consumed when perfectly new, it could have no such effect upon the consumer as could be classed as poisonous, although it is a fact that no whisky should be used until it has been stored a reasonable length of time in wood. This question of fusel oil in whisky is analogous to the presence of poisonous substances in articles of daily consumption, by all humanity, such as coffee and tea. In fact, a large percentage of the human family's foods and beverages. Consequently, the toxic effect of the fusel oil in whisky and not its mere presence must be considered if a charge of impurity is to be made against any whisky containing it. The Old Crow whisky of W. A. Gaines & Co., as a matter of fact, is practically never consumed until it has been in an oaken barrel three or four years, and the average is about four years, consequently the Old Crow whisky as sold and consumed is a highly purified and entirely healthful beverage" (R., p. 249).

On cross-examination, witness testifies that he has frequently run a distillery of which he was part owner, some of those distilleries being the Old Crow Distillery, the Hermitage Distillery, the Monticello Distillery of Baltimore, Md., and a distillery in Hartford, Connecticut (R., p. 250).

He describes the operation of the distilleries in his

charge and the work done by him in connection therewith, having the entire supervision of the work of a distillery (R., p. 250).

He describes "yeasting" (R., p. 250); and "ferments of a locality" (R., p. 251).

JOHN A. STEELE (R., p. 288), banker and farmer, residing at Woodford, Ky., 64 years of age, was acquainted with James Crow in his lifetime, when Crow lived in Woodford County on the farm of Oscar Pepper, his occupation being that of distiller (R., p. 288).

James Crow made whisky which was called "Old Crow" whisky. Witness lived about two miles and a half from where Crow lived and never knew of a distiller named J. W. Crow (R., pp. 288, 289).

The whisky Crow produced was called a hand-made sour mash (R., p. 289).

GEORGE T. COTTON (R., p. 291), 67 years of age, residing at Versailles, Woodford County, Ky., was born in 1838, about six miles west of Versailles, near the waters of Glenn's Creek, and resided there until 1870.

He was acquainted with James Crow, who manufactured the whisky at the distillery of Oscar Pepper at Glenn's Creek (R., p. 291). Ever since the witness has known the "Old Crow" whisky it has been made on Glenn's Creek (R., p. 292).

The witness' father always used to get "Old

Crow" whisky by the barrel, and during his father's lifetime there was never a pint of any other kind of whisky in the house (R., p. 292).

James Crow died in the fifties, between 1850 and 1860 (R., p. 293).

The whisky made by Crow was called "Old Crow" by everybody in the neighborhood. It was never called "Pepper" whisky (R., p. 293).

JOHN C. HAWKINS, 60 years of age, residing at Frankfort, in Woodford County, Ky., during the first twenty years of his life, was acquainted with James Crow, who was a distiller on Glenn's Creek owned by Oscar Pepper (R., p. 295).

The whisky was known as "Old Crow" whisky and after the death of James Crow, the same distillery continued in operation. Witness was employed at that distillery in 1862 or 1863 for about three years (R., p. 296).

WILLIAM J. GORMAN, aged 36 years; residence, Frankfort, Ky.; acting secretary of W. A. Gaines & Co., has been in the employ of Gaines & Co. since September, 1900. He is acquainted with the "Old Crow" whisky sold and distilled by W. A. Gaines & Co. That whisky has been distributed by W. A. Gaines & Co. since witness' connection with it throughout the United States, Great Britain, Yukon Territory and China (R., p. 305).

The witness introduces a memorandum of adver-

tising disbursements for the twenty years between 1884 and 1904, and the total advertising disbursements for that period were \$232,809.35 (R., p. 306).

The capitalization of W. A. Gaines & Co. is \$600,000, and its principal place of business is in Frankfort, Ky.; it owns the Hermitage Distillery in South Frankfort, known to the Government as Distillery No. 4, and the Old Crow Distillery in Woodford County, known to the Government as Distillery No. 106 (R., p. 306).

EDMUND H. TAYLOR, JR., president of E. H. Taylor, Jr., & Sons, Distillers, Inc., of Frankfort, Ky., is 70 years of age and has resided all of his life in the State of Kentucky and has been engaged in the distilling business since 1866 or 1867. The witness first engaged in the distilling business in Woodford County in a little distillery on Glenn Creek. During the lifetime of James Crow the witness was cashier of the Commercial Bank of Kentucky at Versailles, the county seat of Woodford County (R., p. 317).

At that time James Crow was a distiller and operated the distillery with Oscar Pepper on Glenn's Creek, which was subsequently operated by the witness (R., p. 317).

The whisky distilled by James Crow at that distillery was spoken of as "Crow" whisky, and con-

tinued to be so known after Crow's death (R., p. 317).

James Crow was the first man, as the witness recollects, to ever distil sour mash whisky in Kentucky, and it was the best whisky found in Woodford County, Fayette County and Franklin County (R., p. 317).

Witness was a member of Gaines, Berry & Company, organized in 1866 or 1867. That firm engaged in the manufacture of whisky at the distillery the witness has referred to formerly, and which was operated by James Crow (R., p. 317).

The significance attached at that time to the words "Old Crow" as applied to whisky was that the whisky was manufactured by James Crow at the distillery on Glenn's Creek and under his established formula (R., p. 318).

The firm of Gaines, Berry & Company operated the Old Crow Distillery, burning a brand on the barrels, which he recollects to read "Old Crow Distillery, Hand-made Sour Mash Whisky, Gaines, Berry & Company, Distillers, Woodford County, Ky.," and the whisky was spoken of as "Old Crow" whisky (R., p. 318).

Gaines, Berry & Company was succeeded by W. A. Gaines & Co. (R., p. 318). Witness was a member of the firm of W. A. Gaines & Co. for several years, during which time the firm continued to operate the

same distillery and produce the same brand of whisky. Since the time that he withdrew from the firm of W. A. Gaines & Co. he has had no interest in the Old Crow Distillery or its product, the "Old Crow" whisky (R., p. 318).

The witness' acquaintance with the wholesale liquor trade of the United States is general and he has a large general acquaintance with the trade. The significance of the words "Old Crow" as applied to whisky in the liquor trade of the United States is that it is the product of W. A. Gaines & Co. and made under the formula of Crow. The witness has never known of any "Old Crow" whisky other than that produced by the persons referred to on Glenn's Creek in Woodford County, Ky. (R., p. 318).

On cross-examination, the witness states that the words "Old Crow" have a joint significance; that the product is both the manufacture of W. A. Gaines & Co. and made by the formula of James Crow (R., p. 319).

In 1866 when the witness' firm of Gaines, Berry & Company began to operate the Oscar Pepper distillery, that firm "employed Wm. Mitchell as distiller, who had been in the employ of Crow for many years, and who was employed by us because of his previous employment by Crow, and who represented to us, which was confirmed to us by all the other employes who had been employed by Crow, as being the for-

mula under which Crow operated, of which we had no doubt, and I have none” (R., p. 320).

The formula which Mitchell had secured from Crow “related to the different materials used in the manufacture of whisky and the proportions of each, with detail as to their application” (R., p. 320).

The whisky manufactured by Crow was known as a hand-made sour mash, which at that time was never spoken of, so far as the witness knows, as bourbon whisky (R., p. 321).

The Blue Grass region of Kentucky comprises parts of Shelby and Franklin counties, all of Woodford and Fayette counties, parts of Harrison, Scott, Montgomery, Mercer, Anderson, Boyle and Garrard counties, and the finest whiskies of Kentucky are produced in that region. The Glenn’s Creek region has many advantages for the manufacture of whisky not possessed by other portions of the Blue Grass region, which the witness describes as follows:

“My reasons for the acquisition and construction of distilleries on Glenn’s Creek were that I considered their waters the *sine qua non* for the manufacture of the highest grade of whisky, and after nearly forty years’ experience and acquaintance with the product of the different distilleries in the State I regard the product of the three distilleries under discussion as the highest grade and best whisky manufactured in Kentucky” (R., p. 323).

The witness considers the "Oscar Pepper," "Old Taylor" and "Old Crow" whiskies the highest grade of whiskies made in Kentucky (R., p. 324).

WILLIAM HENRY MASTIN, aged 69 years past, formerly a carpenter by trade, has resided in Woodford County all his life and was acquainted with James Crow in his lifetime. He was employed as a distiller at the Pepper distillery in Woodford County on Glenn's Creek. The whisky produced by that distillery prior to Crow's death was known as "Old Crow." After Crow's death he was succeeded as distiller by William Mitchell, and the whisky produced at the distillery after Crow's death was known as "Crow" whisky (R., p. 327).

The witness was personally acquainted with William Mitchell. He states from hearsay that Mitchell is now deceased (R., p. 327).

On cross-examination he testified that he worked at the Pepper distillery and heard Oscar Pepper call the whisky "Old Crow" (R., p. 328).

Witness worked at the distillery when Hawkins was distiller. When witness first knew Crow, Mitchell and two black men were working under him. One of the negroes is now dead and witness is not advised about the other (R., p. 328).

WILLIAM BOYETTE, 71 years of age, farmer in Woodford County, Ky., came to that county when 5 years old and with the exception of four years has

lived there all his life; was acquainted with James Crow in his lifetime when he was in the distillery business making whisky at the Oscar Pepper distillery, the whisky being known as "Old Crow." The witness lived from two and one-half to three miles from the Pepper distillery, near Glenn's Creek. Witness went to school near the distillery and would go into the distillery and see old man Crow there giving orders (R., p. 331). After Crow's death the whisky made at the distillery was also called "Old Crow" (R., p. 331), and the witness took it for granted that it was made under the same process as "Old Crow," although the witness never made any whisky and never worked in the distillery (R., p. 332).

RICHARD W. WHITTINGTON, 61 years of age, storekeeper and gauger in the internal revenue service, resides in Frankfort, Ky. He entered the internal revenue service under Cleveland's first administration, went out under Harrison's, went in again under Cleveland's second administration and has been in the service since (R., p. 333).

Witness was born and raised in Woodford County, within a mile of the Oscar Pepper distillery, and has lived in Woodford County off and on all of his life (R., p. 333).

When the witness resided near the Oscar Pepper distillery as a boy, James Crow was the distiller.

He was an uncle of the witness by marriage. Crow's wife and the witness' mother were sisters (R., p. 333).

When the witness was around the distillery as a boy "old man Crow would take a piece of chalk and make the letters and then he had a gouge that he would gouge it out with C-R-O-W. The gouge looked like a steel hook. He gouged it on the heads of the barrels. He would first make the letters with a piece of chalk and then took the gouge and followed it around." As a boy he visited the distillery every week. After Crow's death he continued to live in the same place until 1868. During that time the whisky produced at the distillery was known as "Crow". During three years of that time the witness was in the Confederate army. He has never known of any "Old Crow" whisky not made on Glenn's Creek, Woodford County (R., pp. 333, 334).

Witness was at the burial of James Crow and after Crow's death, Oscar Pepper had a sale of several hundred barrels of whisky which was sold as "Old Crow" whisky. This was several years after Crow's death. Witness does not think that the whisky produced at the Pepper distillery after Crow's death was known as anything but Pepper whisky (R., pp. 334, 335).

WILLIAM R. DEAN, retired, formerly in the hotel business, is past 80 years of age and resides

at Versailles, Ky.; has resided in Woodford County all of his life with the exception of ten or twelve years. He knew James Crow in his lifetime by sight. He had a hotel for ten years within three miles of Pepper's distillery, known as Dean House. He dealt in corn and sold to the different distilleries and sold corn to Mr. Crow at the Pepper distillery. The witness always considered the whisky produced at the Pepper distillery as "Crow" whisky; it was called "Crow" whisky during the lifetime of Crow (R., pp. 338, 339).

Witness moved into Dean House in 1865; during all of 1865 the troops were passing going into Louisville. He got the "Old Crow" whisky for particular friends in jugs; sent down to Pepper's distillery to get it (R., p. 339).

The present "Old Crow" distillery was built on Glenn's Creek before the witness left Dean House. The whisky produced there was called "Old Crow" (R., p. 342 on XQ. 18 and at p. 341).

JOHN E. MILES of Frankfort, Ky., is a flour dealer and has resided in Frankfort since 1874. Prior to that time he resided at Millville on Glenn's Creek in Woodford County all his life. He was acquainted with Oscar Pepper and James Crow in their respective lifetimes, and knew Crow well; he was the distiller at the Oscar Pepper distillery (R., p. 342). The whisky made at the distillery during

Crow's lifetime was called "Old Crow" and after Crow's death Pepper called it "Old Crow" (R., p. 342). He is still residing at the mill and the present "Old Crow" distillery was built in 1867 or 1868 (R., p. 343).

"Once Crow left Pepper and went down a half mile, perhaps, below where he was to Johnson and Yancey's and distilled for a while there and he died there in the house that was built for him on the Johnson place, and that whisky was not known as Old Crow whisky although it was made by him, it was Johnson and Yancey's" (R., p. 343).

Witness lived about a mile and a half from the Oscar Pepper distillery (R., p. 343).

Witness is acquainted with the O. F. C., Franklin, Carlisle, Kentucky River, Hermitage, Cochran, Cedar Run and Blackmore whiskies of Franklin, Kentucky; the Old Crow, Woodford, E. H. Taylor, Jr., Sons, or Taylor & Sons, Labrot & Graham, in Woodford County; the Old McBrayer and Tyrone in Anderson County, Ky., and others.

"I have traveled all over the world and I have always called for Kentucky whisky—these brands stand the highest. I have traveled in Europe, West and East, and these brands of whisky stand the highest of any brands of

whisky in the world that I know of today" (R., p. 345).

"In traveling I have often found whisky put off to me for Old Crow or Taylor and I found it was not the genuine stuff" (R., p. 346).

Asked whether he had ever heard of any "Old Crow" whisky other than that produced on Glenn's Creek in Woodford County, Kentucky, witness answers, "It's the only Old Crow whisky made" (R., p. 347).

WILLIAM W. DARNELL, aged 75 years, retired, formerly a farmer, storekeeper and miller, with a farm on the Kentucky River about seven or eight miles from Versailles. Lived there ever since two years after the war. Was born and raised up there about three miles from the Oscar Pepper distillery. Went to Missouri during the war, and with the exception of the time when he was in Missouri lived in Woodford County all his life until he came to live in Frankfort. Knew James Crow in his lifetime, when he was distiller at the Oscar Pepper distillery on Glenn's Creek just a little bit above the witness' mill property (R., p. 347).

The whisky made at the Oscar Pepper distillery was called "Old Crow" whisky. After the death of Pepper there was a sale at Oscar Pepper's place of Old Crow whisky, From eleven to twelve barrels of the whisky stored in the cellar was sold. The

whisky was about eleven years old. Oscar Pepper had kept it in his cellar for his own use (R., p. 348).

CHARLES H. HERRMANN of Chicago, secretary of Chapin & Gore, wholesale dealers in wines and liquors and cigars, importers and distillers, is acquainted with the liquor trade in the United States from New York to California and as far south as New Orleans. Chapin & Gore do business in those places (R., p. 354).

The brand "Old Crow" as applied to whisky "signifies a certain grade of whisky and a trademark. We can sell 'Old Crow' whisky without showing samples of it by merely saying it is 'Old Crow,' because 'Old Crow' means a certain grade of whisky." It indicates the whisky of W. A. Gaines & Co., Frankfort, Ky. The witness never heard of any whisky named "Old Crow" unless it was the whisky of W. A. Gaines & Co. of Frankfort, Ky. The effect of selling any other whisky than that of W. A. Gaines & Co. under the brand "Old Crow" would be a great loss to W. A. Gaines & Co. and also to all wholesalers who handled the genuine article, and witness would consider it a great swindle upon the consuming public (R., p. 355).

The "Old Crow" whisky has been advertised in the City of Chicago in the daily papers, on signboards, in saloons, in street cars, by the salesmen of W. A. Gaines & Co. and by houses having con-

nection with W. A. Gaines & Co., like that of Chapin & Gore (R., p. 355).

Witness identifies a photographic reproduction of page 9 of the "Chicago Times" of Saturday, December 15, 1877, containing quotations of "Old Crow" whisky distilled in 1872 (R., pp. 356, 682).

"The brand 'Old Crow' has a value so well known that every dealer concedes it. It commands a high price on account of its reputation and its good quality" (R., p. 362).

"If I asked for 'Old Crow' whisky and got something else I would be hurt; I would feel that I had been swindled even if the article I received was better" (R., p. 362).

WILLIAM MIDA, aged 66, resident of Chicago, is a publisher of a trade journal devoted to the wholesale liquor interest called Mida's Criterion of the wholesale whisky and wine market; and the publisher of the Register of Trade-Marks of the Liquor Trade. He has been acquainted with the wholesale liquor trade of the United States for the past thirty-six years; has acted as representative of Freiberg & Workum and located in St. Louis; subsequently in Chicago. After eight years' connection with that firm, resigned and started a brokerage and commission whisky business, and as an adjunct to the commission business, started a price current giving quotations on all straight whiskies, which he named

“Mida’s Criterion.” Sixteen years ago witness started Mida’s Trade-Mark Register, which comprised all the known brands used by the wholesale liquor interests. He represented Freiberg & Workum in the City of St. Louis thirty-six years and was acquainted with the firm of I. & L. M. Hellman and with the late Abraham Hellman (R., pp. 363-364).

The leading brands of Freiberg & Workum were J. A. Bowen, Snyder Sour Mash, Lynchburg Rye and Highland Rye (R., p. 364). I. & L. M. Hellman were purchasers of Freiberg & Workum’s Bowen whisky (R., p. 364).

Witness has been acquainted with the “Old Crow” trade-mark for whisky for thirty-six years; during that time has had transactions all over the United States in the whisky brokerage business; and as a publisher, his paper circulates in every section of the country (R., p. 365).

“Old Crow is recognized as a brand of one of the finest whiskies made in the country; and has been so recognized since I have been connected with the wholesale liquor interest, either in the capacity of a representative, or as a broker.”

Q. 14. To whose product are those words understood by the liquor trade of the United States to refer?

A. It refers to the product of W. A. Gaines & Co., of Frankfort, Ky.

Q. 16. What would be the effect of offering to the public a whisky not produced by Gaines & Co., under the trade-mark "Old Crow"?

A. It would be regarded as a substitution or infringement.

"I never heard of 'Old Crow' being either offered, sold or claimed by I. & L. M. Hellman to use it in connection with their whisky as their own brand" (R., p. 365).

In 1869 when the witness first engaged in the whisky business in St. Louis, the "Old Crow" whisky of Gaines & Co. was being bought and sold in the St. Louis Market and the words had the same significance that they now have in the liquor trade of the United States (R., p. 365).

The Mida's Trade-Mark Register published by the witness is the publication referred to by Judge Colt in the case of Heublein v. Adams, 125 Fed. Rep. 782 (R., p. 366).

On cross-examination the witness explained that the date given in Mida's Register (offered in evidence at R., p. 366) of 1870 as the date of adoption and use of the "Old Crow" brand, was merely approximate. "In order to be on the safe side, I generally insert a date a little later than it has probably been used" (R., p. 367).

Witness has known of the "Old Crow" brand as long as he has been in the whisky business and the

high reputation it bears; also the price which the brand commanded and which was a criterion as to its high quality and grade and based upon the intrinsic merit of the goods (R., p. 367).

The witness knows personally that the "Old Crow" whisky "is unquestionably one of the standard, highest grade whiskies made, by reason of my handling it, both as an owner, purchaser, and commission merchant on account of others" (R., p. 370).

The witness points out the distinction between straight whisky and neutral spirits at R., p. 369, *et seq.*

He describes the hand-mashing process (R., p. 376).

LYMAN T. HAY, manager of the Jefferson Hotel, St. Louis, and of the Arlington and Eastman Hotels of Hot Springs, Ark., has been engaged in the hotel business for twenty-two years and has had charge of the bar since March, 1893, and has general supervision of the buyers for his house. In buying large quantities they submit the prices to the witness before buying (R., p. 379).

Has been acquainted with the "Old Crow" whisky of W. A. Gaines & Co. for ten or twelve years and has bought a good deal of it. The whisky has been sold at all three of his hotels. During that time he has never known of any "Old Crow" whisky produced or claimed to be produced by A. M. Hellman & Company of St. Louis (R., p. 379).

DAVID NICHOLSON, of the house of David Nicholson, testifies that the house of David Nicholson was founded in 1843 in the City of St. Louis and that he has been connected with the house since 1867, during all of which time the house has handled liquors (R., p. 387).

He has been acquainted with the "Old Crow" whisky of W. A. Gaines & Co. for about twenty-five years and his house bottles it (R., p. 388) under a label which is shown at R., p. 694.

He was acquainted with Abraham Hellman for about twenty years (R., p. 388).

Concerning the assertion of any claim of A. M. Hellman & Company to the trade-mark in issue, he says:

"Q. 17. During that time did you ever hear of the firm of A. M. Hellman & Company asserting any claim to right or title of the trade-mark 'Old Crow' for whisky?

A. Except as their own bottling.

Q. 18. Please explain your last answer?

A. They had a piece of bottled goods on the market which they called Old Crow whisky, but it was supposed to be Gaines whisky. Gaines was the only man we knew that made Old Crow whisky.

Q. 19. Did you ever hear of A. M. Hellman & Company making any claim that they owned the

trade-mark for whisky consisting of the words 'Old Crow'?

A. No" (R., pp. 388, 389).

HERMAN A. STEINWENDER, of H. A. Steinwender & Company, 65 years of age, has resided in St. Louis for fifty years and has been engaged in the liquor business in St. Louis for about forty years (R., p. 395).

For thirty-eight years he was connected with the firm of Steinwender & Sellner (R., p. 396).

At the present time H. A. Steinwender & Company bottle W. A. Gaines & Co.'s "Old Crow" whisky under the label appearing at R., p. 692. He has handled W. A. Gaines & Co.'s "Old Crow" whisky for twenty-five years (R., p. 396). During that time the words "Old Crow" have always indicated to his mind the whisky of W. A. Gaines & Co. (Q. 14 and answer, R., p. 396).

The witness has sold his own bottling of W. A. Gaines & Co.'s Old Crow whisky throughout the States of Missouri, Illinois, Iowa, Nebraska, Texas and Colorado (R., p. 397).

He was acquainted with the firm of A. M. Hellman & Co. for about thirty years and knew its predecessor, the firm of I. & L. M. Hellman. During all of that time he never heard of either of those firms

claiming to own the trade-mark for whisky consisting of the words "Old Crow" (R., p. 397).

ALBERT C. SELLNER, 65 years of age, and a resident of St. Louis since 1870, is treasurer and manager of Steinwender & Sellner Mercantile Company. Has been acquainted with W. A. Gaines & Co. in a business way since 1870. During the past fifteen years his corporation and its predecessors, Steinwender & Sellner, have bottled the "Old Crow" whisky of the complainant under the label shown on page 276, and have sold that bottling in New York, Indiana, Illinois, Idaho, Wyoming and Colorado (R., p. 403).

Witness was acquainted with the late Abraham M. Hellman and his firm and did some business with his firm. He knew Hellman for the past thirty years (R., p. 405).

He first heard about three or four years ago that the Hellman house made a claim to the trade-mark "Old Crow." During the time that the witness had been engaged in business in St. Louis the words have indicated to his mind the whisky of W. A. Gaines & Co. (R., p. 405).

JOHN T. McMAHON, 46 years of age, residing in St. Louis and having his place of business at 724 Olive street, has been engaged in the retail liquor business in the City of St. Louis for the past two years and prior to that was engaged in the same

business in Kansas City, Mo. During the past twenty years has been engaged in the liquor business in the State of Missouri and has been acquainted with the "Old Crow" whisky of W. A. Gaines & Co. all of that time. The words "Old Crow" have indicated the whisky of Gaines during all that time. "Gaines' Old Crow is all that I ever knew" (R., p. 412). He has handled the "Old Crow" whisky in his business and has never known of any other "Old Crow" whisky except that of W. A. Gaines & Co. (R., p. 412).

LOUIS IDLER, secretary and treasurer of the A. Moll Grocery Company of St. Louis, has been familiar with the "Old Crow" whisky of W. A. Gaines & Co. for twenty years. Ever since he has been connected with the concern they have bottled it under the labels shown at R., pp. 690 and 691. During all of that period the name "Old Crow" has meant to his mind the whisky of W. A. Gaines & Co. He was acquainted with A. M. Hellman during his lifetime and the firm of A. M. Hellman & Company and never heard of A. M. Hellman claiming or using the name "Old Crow" previous to the institution of this suit (R., p. 417).

PATRICK J. CARMODY, 70 years of age, resident of St. Louis, has been in the liquor business for forty years. Was at Moberly, Mo., for about thirteen years and has been acquainted with the "Old

Crow" whisky of Gaines & Co. about thirty years. When asked whose whisky the name "Old Crow" had indicated to his mind during that period, the witness says:

"I have never known of any except Gaines & Co., W. A. Gaines & Co., I believe it is. It was understood that they were the legitimate makers of that goods. I never handled the goods myself, but I have known those who have handled and I never knew of any one having the Old Crow except W. A. Gaines & Son, or W. A. Gaines & Co. I don't know which it is" (R., p. 422).

Witness was visited by the traveling men of A. M. Hellman & Company and thinks he bought a bill of goods from them once, but never heard of any claim being made by A. M. Hellman & Company of owning the trade-mark "Old Crow" (R., p. 422).

JOHN A. SPECHT, restaurant proprietor, 114 North Fourth street, was engaged in the liquor business beginning along in the seventies. Went into business for himself in 1891. Has been acquainted with the "Old Crow" whisky of Gaines & Co. for twenty years past. During that time the name "Old Crow" has indicated to his mind the "Old Crow" whisky of W. A. Gaines & Co. Never heard of any claim of ownership to the mark "Old Crow" by Hellman & Co. (R., pp. 428-429).

JAMES H. McTAGUE, proprietor of McTague's Restaurant, Century Building, St. Louis, 47 years of age, lived in St. Louis nine years past. Prior to that time he was in the restaurant business in Omaha for about eleven years. The witness has dealt directly or indirectly in "Old Crow" whisky since 1876. During the past twenty years the words "Old Crow" have indicated to his mind W. A. Gaines & Co. He never heard of A. M. Hellman & Co. making any claim to the ownership of the trade-mark "Old Crow" (R., p. 433).

GEORGE J. KNAPP, manager of the bar of the Lippe Restaurant, in the Chemical Building, St. Louis, has been manager of that bar for the past eight years and has been in the liquor business in Cincinnati, O., Put-in-Bay, O., Detroit, Mich., and St. Louis for fifteen to seventeen years, all told. Wherever he has been he has handled the "Old Crow" whisky of W. A. Gaines & Co., and during the past sixteen or seventeen years the words "Old Crow" have always indicated the whisky of W. A. Gaines & Co. to his mind. In his language, "I never heard of any Crow but Gaines' Crow" (R., p. 437).

FRANK R. CLAYTON, aged 33, residing in St. Louis, inspector of the Thiel Detective Service Co.; with the exception of two years, when deputy sheriff at the Four Courts, has been in the employ of the Thiel Service for twelve years past. Is acquainted

with the "Old Crow" whisky of W. A. Gaines & Co. and has been acquainted with it for fifteen years. Has seen the "Old Crow" whisky in every State except three west of the Mississippi River; nearly all of the Central States, four of the Northern States and all of the Southern States. The three States west of the Mississippi River in which he has not seen Gaines' "Old Crow" whisky are Idaho, Utah and Nevada (R., p. 442).

The witness has never seen the whisky of A. M. Hellman & Co. except once, then in St. Louis at Judge & Dolph's drug store, on Olive street between Sixth and Seventh streets, where it was in competition with well known bottlings of W. A. Gaines & Co.'s "Old Crow" whisky, and was advertised in Judge & Dolph's circular, Complainant's Exhibit, Judge & Dolph's Price List, as "Old Crow" whisky, bottled by Hellman (R., p. 443).

The Hellman "Old Crow" whisky was displayed with the Bottled in Bond Old Crow whisky of W. A. Gaines & Co.'s, Wm. H. Lee & Co.'s Old Crow and David Nicholson's Old Crow (R., p. 444).

"They were all lined up together on the top of the show case" (R., p 444).

Witness has visited nearly every wholesale liquor house in all the Southern States, particularly in Louisiana and Texas, and has never seen the "Old

Crow" whisky of Hellman & Co. displayed for sale at any other place than the Judge & Dolph drug store, under the circumstances described (R., p. 445).

AUSTIN CARTER, manager of John W. Howard Liquor Co. of St. Louis, has resided in St. Louis since 1887 and has been connected with John W. Howard for the past fifteen years, and during that time the words "Old Crow" have indicated to his mind the whisky of Gaines & Co. (R., p. 460). The business of the John W. Howard Co. was wholesale until three or four months prior to the time the witness testified (R., p. 461).

EDSON BRADLEY, called in rebuttal, identifies a certified copy of the record in *W. A. Gaines & Co. v. E. Whyte Grocery, Fruit and Wine Co.*, 107 Mo. Appeals 507, which is in evidence (R., p. 625). This certified copy appears in this record at p. 698.

William H. Lee, whose testimony appears in that exhibit record at page 811, is the same William H. Lee referred to by defendants' witness, T. W. Manning (R., p. 626).

William H. Lee purchased very large quantities of "Old Crow" whisky for a period of twenty-five or thirty years, and he was one of the largest customers of Paris, Allen & Co. for that brand of whisky (R., p. 627).

Asked whether during that time the witness had any knowledge or information of any such traffic

in spurious whisky under the name of Old Crow by William H. Lee as is described in the testimony of Manning, witness answered "Never. I believe that Mr. Lee was thoroughly honest" (R., p. 627).

Witness visited the place of business and the bottling department of Mr. Lee during his lifetime (R., p. 627). The witness never heard of or saw the burning brand and stencil brand of "J. Crow" whisky referred to by defendants' witness, Manning (R., p. 628).

After the death of Lee, his business was incorporated as Wm. H. Lee & Company and continued, a man by the name of Morrin being the principal person interested, the same John S. Morrin whose testimony is contained in the record of W. A. Gaines & Co. v. E. Whyte Grocery, Fruit and Wine Co. (R., p. 628).

The witness describes and explains the so-called tank whisky referred to by defendants' witness (R., p. 629).

Paris, Allen & Co. did not at any time sell to Lee & Co. whisky as "Old Crow" whisky which was not the genuine "Old Crow" whisky of W. A. Gaines & Co. (R., p. 630).

There is nothing embodied in the language of the glass sign of I. & L. M. Hellman indicating to the trade any assertion on the part of I. & L. M. Hell-

man of any title to the mark "Old Crow" (R., p. 630).

Witness identified the price lists of H. W. Voss & Co., William C. Biles & Co. and J. W. Biles & Co., which are offered in evidence at pp. 631, 632.

Asked whether it is possible for W. A. Gaines & Co. to ascertain whether or not a bottler of whisky under the name of Old Crow has in his possession for the purpose of that bottling the genuine Old Crow whisky of W. A. Gaines & Co., the witness answers:

"It is absolutely impossible unless W. A. Gaines & Co. has access to the bottling establishment of the bottler, for the reason that practically every wholesale liquor dealer in the United States has in his possession at different times genuine Old Crow whisky distilled by W. A. Gaines & Co., the greater portion of which was not bought direct from W. A. Gaines & Co., but was purchased from other dealers, or on the open market through brokers. This condition of things makes it possible for any bottle of whisky bearing the words Old Crow to be the genuine Old Crow whisky of W. A. Gaines & Co., although W. A. Gaines & Co., or any person known to that company, had not sold any Old Crow whisky to the bottler. There is only one way in which W. A. Gaines & Co. can obtain knowledge of spurious bottlings under its trademark, that is to say, by physical examination

of the whisky contained in the bottles, and as only a very small percentage of these bottlings can ever come to the notice of W. A. Gaines & Co., it makes it a very difficult matter for them to detect these spurious bottlings" (R., p. 634).

No claim has at any time been made of ownership of the trade-mark "Old Crow" or in the secret process whereby the "Old Crow" whisky is produced by W. A. Gaines & Co., by the heirs of James Crow or by the heirs of Oscar Pepper (R., p. 634).

As to the alleged conversation between the late Abraham M. Hellman and E. C. Homan, salesman for Paris, Allen & Co., concerning which defendants' witnesses have testified, witness says:

"Mr. Homan never made any written communication to Paris, Allen & Co. on that subject, but on his return to New York City he told me personally that he had charged Hellman with having put up spurious imitations of W. A. Gaines & Co.'s Old Crow whisky and that Hellman had agreed that he would never do it again" (R., p. 635).

Mr. Homan was not an agent of W. A. Gaines & Co., but was a salesman for Paris, Allen & Co. of New York (R., p. 635).

DEFENDANT'S TESTIMONY.

JOHN O. URNER, age 65, bookkeeper for the Gregg Varnish Co., was in the employ of I. & L. M. Hellman in 1865. Testifies to Louis M. Hellman continuing the business under the same name after the death of Isaac Hellman in 1867, and that Abraham M. Hellman was taken into the firm four to six years later. Then fixes the date as 1871 (R., p. 467). The firm was dissolved in 1881 by the withdrawal of L. M. Hellman, the record entry showing that \$9,878.98 was paid to L. M. Hellman for his three-eighths interest, and \$5,000 of that amount for good will (R., p. 470).

Certain books were identified by the witness and offered in evidence as follows (R., pp. 471, 472):

Defendants' Exhibit No. 1, Ledger. (See Extract, R., p. 953).

Defendants' Exhibit No. 2, day book from January 3, 1881, to January 1, 1886. (See Extracts, R., p. 953).

Defendants' Exhibit No. 3, Ledger from December 31, 1867, to December 31, 1870. (See Extract, R., p. 954).

Urner testifies (R., p. 472):

“Q. Do you remember whether in the year 1866 or the year 1867 the firm sold any whisky which was designated Crow whisky?

A. Yes.

Q. Where did they get the whisky which they sold as Crow whisky?

A. It was blended in the store and was not bought from any one under the name of Crow. It was branded in the store.

Q. Did you have a brand indicating this name of Crow whisky?

A. Yes; they had a brand, J. W. Crow Bourbon.

Q. How was that brand attached to the packages of whisky sold under the name of Crow?

A. It was a fire brand, burned on. It was heated by the rectifier and the brand burned on the head of the barrel.

Q. Of what was the whisky so branded made?

A. Well, I was not the rectifier, I don't know exactly" (R., p. 473).

"Q. Do you remember whether the firm during the period that you were with them, purchased any whisky as Crow whisky?

A. No.

Q. Well, now, do you mean you don't remember, or that they did not purchase any?

A. No; they didn't purchase any" (R., p. 473).

He identifies a plaster cast of a burning brand reading "J. W. Crow Bourbon" (R., p. 473), and a certain glass sign (see photograph, Defendants' Exhibit No. 6) being shown him, says:

"Q. I show you a sign, Mr. Urner, and ask you if you remember that sign?

A. I remember it.

Q. How far back do you remember this sign, or a sign like it, or a similar one, as being displayed in the office or salesroom of the firm?

A. I can't remember exactly when I first saw one, but it was back in the sixties, some time in the later sixties" (R., p. 474).

Witness identifies a sales book (Defendants' Exhibit No. 7, R., p. 475), a day book (Exhibit No. 8, R., p. 477), a day book (Exhibit No. 9, R., p. 477), and refers to entries reading "Crow" whisky in these books, saying: "It is entered as Crow whisky; it must have been branded J. W. Crow Bourbon. That was the brand which was used on whatever went out as Crow whisky at that time" (R., pp. 480-481).

All of the sales, at early dates, shown by these books to have been made under the mark "P. Crow" or a like name by defendants' predecessors, are as follows:

		To Whom Sold.	Gal.	Price.
Mar.	18, 1863	Robt. Forbringer, Atchison.....	38½	\$0.85
Dec.	28, 1866	O. Waldkirch, Baton Rouge.....	40½	3.00
April	20, 1867	W. G. Wear & Co., Memphis.....	82½	2.75
"	25, 1867	S. Mendelsohn, Baton Rouge.....	32½	2.70
July	13, 1867	S. Mendelsohn, Baton Rouge.....	41½	3.00
Aug.	8, 1867	D. Bruner, Montgomery City.....	43	3.25
Sept.	18, 1867	Bernard & Albrecht, Ottawa.....	41	3.00
Nov.	9, 1867	D. Bruner, Montgomery City.....	41½	3.25
"	15, 1867	Lohman & Beckstead, Havana.....	40½	3.00
"	23, 1867	M. D. Thatcher, Pueblo.....	164	2.85
Jan.	18, 1868	Albert Ertel, El Paso.....	40½	3.00
Mar.	7, 1868	Paul Pantler, Evansville.....	22½	2.75
"	21, 1868	John Aaron, Peru.....	40	3.00
"	31, 1868	A. Heffly, Nebraska City.....	21	3.00
April	13, 1868	V. L. Todd & Co., Ft. Wallace.....	120½	3.00
"	21, 1868	P. C. Patterson, Lexington.....	42	3.00
May	5, 1868	Jos. Albrecht, Ottawa.....	41½	3.00

"	18, 1868	Mrs. F. Keller, Independence.....	84	3.00
"	20, 1868	Chas. Seitz, City.....	82½	1.95
June	1, 1868	A. Heffley, Nebraska City.....	43	3.00
May	13, 1869	Malcolm-Orchard & Co., Rolla.....	42	1.75
June	24, 1863	A. H. Haller, Pilot Knob.....	123	1.75
July	13, 1869	H. C. Leighton, Omaha.....	162	2.00
Aug.	13, 1869	Mrs. F. Keller, Independence.....	40	2.00
"	24, 1869	Hall & Porter, Junction City.....	42	2.00
"	27, 1869	A. Heffley, Nebraska City.....	84½	2.00
"	30, 1869	Morgan-Stoddard & Co., City.....	42	1.65
"	30, 1869	L. Kiefer & Co., Port Gibson.....	82½	1.50
Oct.	4, 1869	A. W. Benedict, Council Bluffs.....	79½	1.75
"	12, 1869	Theo. Selhorst, Chester.....	39	1.70
"	12, 1869	W. E. Bard & Co., Sedalia.....	43½	1.50
"	14, 1869	Thos. Dower, City.....	9	1.50
"	15, 1869	Bushey & Duncker, Pt. Pleasant.....	10	1.75
"	15, 1869	Hall & Porter, Junction City.....	39	2.00
"	21, 1869	Newton M. Calloway, Marshfield.....	43	1.75
"	22, 1869	J. G. Anmoth & Co., Lebanon.....	110	1.65
"	23, 1869	Bushey & Dunker, Osceola, Ark.....	10	1.75
"	28, 1869	Philip Bower, W. Baton Rouge.....	41½	1.75
Nov.	1, 1869	L. Kiefer & Co., Port Gibson.....	41	1.50
"	1, 1869	Dr. J. E. Wilson, Sarcoxie, Mo.....	40	1.75
"	3, 1869	Alfred Weil, Ft. Scott.....	42	1.75
"	3, 1869	Van Frosien & Jones.....	41	1.75
"	3, 1869	Kyle & Keller, Weston.....	40½	1.75
"	11, 1869	Wm. Rhodes & Co., Brandon.....	41½	1.50
"	12, 1869	T. C. Peters, Ellis Grove.....	41½	1.75
"	12, 1869	Sweezy, Yost & Co., Omaha.....	41	2.00
"	12, 1869	J. G. Anmoth, Springfield.....	210	1.65
"	12, 1869	Wm. Clark, Hillsboro.....	21	1.75
"	17, 1869	Bushey & Duncker, Pt. Pleasant.....	23	1.75
"	17, 1869	H. Richter, Pilot Knob.....	41	1.75
"	22, 1869	Llewellyn & Co., Mexico.....	84	1.75
"	25, 1869	L. Kiefer & Co., Port Gibson.....	42	1.50
"	26, 1869	Dr. Wm. Jennings, Marshfield.....	44	1.75
Dec.	2, 1869	N. Lorie, Vidalia.....	22	1.75
"	8, 1869	Hall, Beller & Co., Sedalia.....	223½	1.10
"	17, 1869	Dr. Wm. Jennings, Marshfield.....	42½	1.75
"	17, 1869	Newton M. Calloway, Marshfield.....	45	1.75
"	28, 1869	T. K. Paul, Marshfield.....	41½	1.75
"	18, 1869	Dr. F. W. Kelton, Mt. Vernon.....	45½	1.75

Total 2,361 gallons,
or 59 barrels (of 40 gallons each) in 7 years; or
8 3-7 barrels per year.

Recalled, Urner identifies the book marked "Journal H. M. & Co." Defendants' Exhibit No. 10 (R., p. 510).

On cross-examination his attention is directed to an entry reading "1 bbl. Bourbon P. Crow" at p. 48

of Defendants' Exhibit No. 7, concerning which he testifies:

"Q. During the time that you were employed by the firm of I. & L. M. Hellman, was any person of the name of P. Crow connected with the firm of I. & L. M. Hellman, as an employe, or otherwise?

A. No.

Q. Did you ever know a person by the name of P. Crow, engaged in the liquor business?

A. I don't remember of ever hearing the name before" (R., p. 512).

"Q. Who was J. W. Crow?

A. I don't know.

Q. There wasn't any one of that name connected with the firm of I. & L. M. Hellman while you were employed there?

A. No one" (R., p. 513).

"Q. You did not know at that time of any Old Crow whisky other than that made by I. & L. M. Hellman, did you?

A. I have heard all my life the word Crow in connection with whisky; in fact, I have heard the words 'Old Crow' without being able to place them. I don't remember of ever seeing a barrel with that brand on it" (R., pp. 514-515).

He also testifies as to the spurious "Magnolia" and other imitation whisky sold by I. & L. M. Hellman, as follows:

"Q. You remember the brand, J. W. Crow,

of which you say defendants' exhibit is a cast; I will ask you how many other brands, meaning thereby metallic brands used for branding the heads of whisky barrels, you recollect as being in use by I. & L. M. Hellman, in 1865 and 1866, and what those brands were?

A. I can't just now recall any brand except Arnold & Fuller's.

Q. Magnolia whisky appears frequently upon these books of accounting during that period, does it not?

A. I presume so. Yes.

Q. Was there a metal brand there bearing the name Magnolia?

A. There was not.

Q. Wasn't that Magnolia whisky made on the premises, just like J. W. Crow or Old Crow?

A. It was as good an article of whisky as Crow. It was 30 below proof and common whisky.

Q. That Magnolia whisky was blended or compounded, there at the place of business of I. & L. M. Hellman, was it not?

A. It was rectified there. It was leached through charcoal and drawn from a large tub into a barrel and the brand Magnolia put on the head of the barrel, which had previously been painted yellow. It was put on with a stencil brand.

Q. You remember that stencil being on the premises of I. & L. M. Hellman, don't you?

A. Yes.

Q. Now, what material was used by I. & L. M. Hellman in making this Magnolia whisky?

A. High wine.

Q. I. & L. M. Hellman never purchased any Magnolia whisky from S. N. Pike & Co., of Cincinnati, did they?

A. No.

Q. Did I. & L. M. Hellman ever purchase any Magnolia whisky from Mills, Johnson & Co.?

A. No" (R., pp. 513-514).

Q. Did you at that time know of any Magnolia whisky other than that produced by I. & L. M. Hellman?

A. I never saw any Magnolia whisky that was produced by any other party than I. & L. M. Hellman.

Q. Didn't you, as a matter of fact, know that the Magnolia brand was at that time one of the leading brands of American whisky sold extensively throughout the United States? And that it was owned by parties other than I. & L. M. Hellman?

A. I would like to explain that; when you speak of a matter of fact I don't know anything about any other Magnolia whisky than that made by I. & L. M. Hellman, as a matter of fact.

Q. Was there any person of the name of Arnold connected with the firm of I. & L. M. Hellman in the years 1865 and 1866?

A. No.

Q. Do you know who that brand Arnold belonged to?

A. No. Except that it belonged to I. & L. M. Hellman.

Q. Was there any person named Bowen con-

nected with the firm of I. & L. M. Hellman in 1865, 1866?

A. There was not.

Q. Did you know at that time who the Bowen brand belonged to?

A. I can't remember.

Q. Was there any person named Fuller connected with the firm of I. & L. M. Hellman in 1865 and 1866?

A. There was not.

Q. Did you know who the Fuller brand belonged to?

A. Belonged to I. & L. M. Hellman'' (R., pp. 514-515).

MARTIN W. HERON, of Memphis, testifies he was in the employ of I. & L. M. Hellman and their successors from the fall of 1865 to 1882 (R., p. 488). Assisted the rectifier and they blended whiskies and neutral spirits and sold them as Crow whisky (R., p. 489).

On cross-examination he testified as follows:

“Q. Who was J. W. Crow?

A. I really don't know.

Q. Was any person by the name of J. W. Crow a member of the firm of I. & L. M. Hellman at the time you were employed there?

A. No, sir.

Q. Was any person named J. W. Crow employed by the firm at the time you first went there?

A. No, sir; not that I know of" (R., p. 492).

"Q. Now I will ask you to state whether or not you can recollect whether any of the regularly distilled whisky which you used in making that so-called Old Crow compound for I. & L. M. Hellman came from the distillery of Gaines, Berry & Co., Kentucky?

A. I don't remember.

Q. So far as you can recollect now, it may or may not have come from Gaines, Berry & Co., may it not?

A. I don't remember what distillery it came from; they didn't use any one certain brand" R., Vol. II, p. 393).

At R., p. 495, he admits making the affidavit reproduced at R., p. 495, which reads as follows:

"State of Tennessee, }
County of Shelby. } ss.

Martin W. Heron, being duly sworn, on his oath states that he is 53 years of age; at present a resident of Memphis, Tennessee; that in the year 1865 he was in the employ of the firm of I. & L. M. Hellman, of St. Louis, Missouri, in the capacity of assistant compounder, and that he remained in the employ of I. & L. M. Hellman until 1885; that in the year 1886 and prior thereto, the said firm of I. & L. M. Hellman used a brand called 'Crow' brand on a blend or compound manufactured by them, and that they continued to use such brand during the whole of the

time that he was in their employ; that during all of that time display glass advertising signs of the 'Crow' brand were distributed by the firm to their customers, and one sign of that kind hung continuously on the wall of the office; that at that time it the only 'Crow' brand of whisky that was known to the trade in St. Louis."

HERMAN H. LIEMKE, age 61, designer of signs, is asked to identify the glass sign, Defendants' Exhibit No. 5 (R., p. 500), which he says he made in 1878 or 1879, and that he made one like it in 1867 for I. & L. M. Hellman (R., p. 501).

On cross-examination he says he fixes the date of making Defendants' Exhibit No. 5 as follows:

"Q. How do you fix the time when this sign, Defendants' Exhibit No. 5, was made by you as being in 1878 or 1879?

A. How do I fix the time? Because I was married shortly after, in '68 or '69, and I have the marriage certificate to show; I mean 1878 or 1879, and that was the last sign made in that locality bearing the number 315 Olive street.

Q. Now which of the four years you have referred to were you married in—1868, 1869, 1878 or 1879?

A. In 1878 or 1879.

Q. Have you been married more than once?

A. No, sir" (R., p. 504).

In further cross-examination the witness is unable

to fix the date of his marriage (by which he fixed the date when he made Defendants' Exhibit No. 5), except as follows:

"A. Well, I was married in February, I know that, the exact date I can't tell. It is the 27th or not, but in '78 or '79, I am sure one of those two years. The marriage was published in the Missouri Republic of '78 or '79.

Q. Are you sure it was not in 1877?

A. It could not have been.

Q. Are you positive of that?

A. To the best of my knowledge, I am.

Q. Can you testify positively that it was not as early as 1876?

A. I think I can" (R., p. 509).

FREDERICK A. HUGO and ADNUL HOBBS.

On December 29, 1904, before this cause was at issue, and the complainant not consenting thereto, the defendants took the alleged depositions of the persons above named, which are now in the files of this case.

Former Equity Rules 67, 68 and 69 all provided that testimony can be taken *only* after the cause is at issue. Therefore this *ex parte* matter is not testimony and cannot be considered.

It purports to set out conversations between E. C. Homan of New York, a whisky salesman for Paris, Allen & Co., of New York, who was never in the em-

ploy of complainant, with Abraham M. Hellman, deceased; Homan also being long since dead. It is neither competent, relevant, nor material for any purpose.

TIMOTHY W. MANNING, a compounder for W. H. Lee & Co., of St. Louis, testifies that in 1865 a liquor house in St. Louis named Samuel McCartney & Co. was using a stencil reading.

PURE OLD CROW BOURBON

1858

“Respondents’ Exhibit Manning A” (R., p. 528), and that the brand has been used ever since by the McCartney house and its successors, terminating in Wm. H. Lee & Co.

Also that a burning brand reading “J. Crow Bourbon, Paris, Ky.” (Respondents’ Exhibit Manning B, R., p. 529), was used in like manner; both brands being used “on a rather fair grade of blend” (R., p. 529), without reference to the distillery where the goods were produced (R., Vol. II, p. 442).

Witness identifies the label used by Wm. H. Lee & Co. in bottling complainant’s Old Crow whisky and reading as follows:

“Old Crow Pure hand-made sour mash Kentucky Bourbon, distilled by W. A. Gaines & Co., Frankfort, Kentucky, selected and bottled by William H. Lee & Co., St. Louis. We guarantee

the purity and high quality of these goods, which we especially recommend for family use" (R., p. 536).

EMILE SCHAEFER, of Yazoo City, Mississippi, had dealings with I. & L. M. Hellman in 1866, and bought "Crow" whisky in barrels from them from that time up to 1870 (R., p. 542).

He testifies on direct examination as follows:

"Q. What kind of goods was it that were contained in these barrels marked 'Crow' or 'Old Crow'?"

A. The finest whisky that I handled, and I had some customers that wanted fine whisky; it was flush times shortly after the war; the people had saved some cotton out of the wreck, and they had plenty of money, and they wanted the best goods. You could not sell those goods down there now.

Q. I will ask you whether it was single stamped or double stamped goods, if you remember?

A. I am not sure that the stamp act was in force at that time; I don't remember about the stamp; I think it was before the Stamp Act was passed.

Q. Do you remember whether it was blended or not?

A. No, they were not blended; they were pure goods; they were first-class goods" (R., p. 543).

"Q. Was there anyone else in the city who sold or dealt in this Old Crow?"

A. Yes, sir; there was an old barroom man whose family is there now—he is dead himself—named Haberkamp, and another man named John Lear, whose son is now the president of the Delta Bank and Trust Company; those men who handled it are all dead. There was another man by the name of R. C. Shepard that handled it, but he is dead.

Q. These three houses that you mention handled Old Crow whisky?

A. I think so; I could not swear positively to that; I think they all handled fine whisky and that was the finest whisky we handled. Two of those kept a barroom or saloon; the third was quite a wealthy man, who done business like I did" (R., p. 543).

On cross-examination he testified:

"Q. Was this whisky that you bought and handled in this manner a bourbon or rye whisky?

A. I think it was a bourbon whisky.

Q. Kentucky bourbon whisky?

A. I don't know whether it was Kentucky or not; I don't know where it was made.

Q. You don't know who it was distilled by?

A. No; the finest whisky I handled was that whisky and I bought it from I. & L. M. Hellman, and it was graded 'Old Crow'; I don't know who made it.

Q. You bought it believing it to be straight high-grade bourbon whisky?

A. That is it; yes, sir.

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3
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Q. That is a regularly distilled whisky and not a compound or blend?

A. No, sir; nothing of that kind.

Q. And you paid a very high price for it?

A. Yes, sir; my recollection is that it always cost me \$3.00 and upwards" (R., p. 544).

"Q. Since 1875 you have not had occasion to handle or deal in any whisky?

A. No, sir.

Q. And during all that period that you handled this whisky was it of the same high character that you describe, uniformly the same?

A. Yes, sir; I handled other whiskies in addition to that.

Q. But I mean this particular whisky?

A. Yes, sir.

Q. This was at all times a high grade straight Kentucky bourbon?

A. I don't know about the Kentucky part; I don't know where the whisky was made; it may have been made in Kentucky; I don't know.

Q. At all events, you never knew it was made in Hellman's cellar, did you?

A. No, you can't prove the making of it by me" (R., p. 545).

On re-direct examination he testifies:

"Q. When counsel used the word 'straight' you did not attach any technical meaning to that, did you?

A. I merely mean by that that it was not mixed in any way; I don't know what that technicality means; I supposed it was whisky that

had never been tampered with, was in its original state, like it came from the distillery" (R., p. 545).

HERMAN A. HAEUSSLER, lawyer, of St. Louis, knew the firm of I. & L. M. Hellman, and was their attorney from 1862. Recollects a "Crow" brand on the barrels lying on the sidewalk on Pine street at their place of business (R., p. 548). "Those times the folks that went in to take a drink would call for 'Crow' whisky the same as they called for Bourbon or Robinson County, different drinks of that kind" (R., p. 548).

MORITZ HELLMAN (defendant), aged 55, came to St. Louis from Europe in 1871. Worked for I. & L. M. Hellman from January 1, 1872 (R., p. 550). The "J. W. Crow Bourbon" brand was in use at that time (R., p. 551), and only on whisky blended by them (R., p. 551).

On cross-examination, he testifies:

"Q. Have you ever seen 'Old Crow' listed in any of the price lists of the liquor trade?

A. I suppose I did, but I never paid any attention to it, as I had no reason to do it.

Q. Are you acquainted with the whisky price list of the J. W. Biles Co.?

A. I have seen it, but I have not paid much attention to it because my trade was mostly blends.

Q. Can you name any of the other price lists of the whisky trade?

A. I have seen a number of them.

Q. Can you name some of them?

A. Well, I have seen—we are getting them every day, Clarkson, Voss'' (R., p. 553).

On redirect examination he testified:

Q. Do you know whether or not the words 'Crow' or 'Old Crow' were in general use in St. Louis when you began business with the firm of I. & L. M. Hellman, on whisky?

A. How is that?

Q. Whether other houses used the words 'Crow' or 'Old Crow'?

A. Yes, sir; other houses used it. I remember there was a house here by the name of Quinlan Bros. & Spotswood; they had a sign also with a Crow brand on it.

Q. What other houses do you remember that used the words 'Crow' or 'Old Crow'?

A. Samuel McCartney & Co.

Q. Any other house?

A. Do you mean here in St. Louis?

Q. Yes; you mentioned the house a moment ago?

A. Quinlan Bros. & Spotswood.

Q. Do you know on what kind of goods the brand 'Crow' or 'Old Crow,' or mark 'Crow' or 'Old Crow' was employed?

A. Blends.

Q. Do you recall a kind of brand or mark which was used by Samuel McCartney & Co.?

A. Yes, sir.

Q. Describe it?

A. A. J. Crow" (R., pp. 554-555).

On recross-examination he testified:

"Q. Then neither you nor your company in this suit pretend to claim that the mark 'Old Crow' or 'Crow' as a mark for whisky ever belonged to your firm, or its predecessors, I. & L. M. Hellman, do you?

A. We never knew any other way that brand was ours, which we have used.

Q. Yet you now say it was in common use by other firms of the City of St. Louis when you began to use it, do you not?

A. Yes, sir; always used Crow whisky, but this brand that was used here was ours, but others have used it also; we never interfered with anybody else.

Q. You never undertook to stop anybody else from using it, did you?

A. No, we never did that I remember.

Q. You let them all use it?

A. If you notice in our brand it is J. W. Crow; I don't know that anybody else used those initials.

Q. I am talking about the words 'Crow' or 'Old Crow.' Did you ever undertake to stop anybody from using this brand on whisky?

A. I don't remember whether A. M. Hellman or I. & L. M. Hellman did, as I was traveling and I was not in the office.

Q. You never heard of it?

A. I don't remember hearing of it.

Q. And you now testify that the marks were commonly used in the trade in St. Louis by a number of houses in the trade when you came here in 1871?

A. Yes, sir.

Q. You have been the president of the Hellman Distilling Company since it was organized, have you not?

A. Yes, sir.

Q. The Hellman Distilling Company never tried to stop anybody from using 'Crow' or 'Old Crow' as marks on whisky, have they?

A. No, sir.

Q. When you came here in 1871 did you ever know of a Kentucky whisky known as 'Crow' or 'Old Crow,' a straight whisky?

A. We never dealt in it, and in those days, as I say, we sold mostly blends, but while I was traveling in Missouri I might have heard of Gaines' Crow here and there, but I never heard of it in the South" (R., p. 556).

"Q. Can you fix the date as near as possible when you first heard of W. A. Gaines & Co.'s Old Crow whisky?

A. No, sir.

Q. Can you fix it within ten years?

A. I was not interested enough to remember anything of that kind.

Q. How long have you been a partner in the firm of A. M. Hellman & Co.?

A. I don't recollect how long.

Q. You cannot tell how many years?

A. I suppose probably twelve or fourteen years; I couldn't tell exactly.

Q. And during that time you never looked in a price list of the whisky trade, and of the standard recognized trade price lists, to see whether Old Crow whisky was listed or not?

A. I had no occasion to look because I haven't sold any.

Q. Have you seen any Old Crow whisky of W. A. Gaines & Co., either in barrels or bottles?

A. I have never seen any in barrels, but I have seen some in bottles, bottled by W. H. Lee & Co.

Q. How long ago did you first see any of that?

A. I couldn't tell.

Q. As long ago as ten years past?

A. I suppose so" (R., p. 558).

WILLIAM J. BRENNAN, teamster, was in the employ of A. M. Hellman & Co. from 1881 to 1889, and as compounder made the mixture and branded the barrels with the "Crow" mark.

"Q. As compounder or assistant compounder, did you have any duties to perform with reference to Hellman's Old Crow?

A. Yes, sir.

Q. What were those duties?

A. With Old Crow?

Q. Yes.

A. Well, generally brand the barrels 'Old

Crow', and generally fix up the formula of Old Crow.

Q. When you say you fixed up the formula, what do you mean by that?

A. Fixed up the refined spirits.

Q. Well, was it a blend?

A. Yes, sir.

Q. Blended there on the premises?

A. Yes, sir" (R., pp. 559-560).

He refused to tell what the mixture was, saying the formula is a secret.

He testifies:

"Q. During that period did you use any of the Old Crow whisky of W. A. Gaines & Co. in making this mixture under the name of Crow for the Hellman concern?

A. Well, I don't remember" (R., p. 564).

JAMES F. BRENNAN, compounder for Hellman & Co. since June, 1898, testifies that the Hellman Distilling Company marks packages with the words "Crow" or "Crow Bourbon." He does not testify what whisky or other liquor is placed in these packages (R., p. 564).

NATHANIEL S. REEDER, aged 60, of Cincinnati, testifies that in 1867 the firm of W. W. Johnson & Co. of that city branded rectified whisky with the

word "Crow" (R., p. 570). The house used the words "Crow" and "J. W. Crow" (R., p. 571).

He testifies:

"Q. Can you state, Mr. Reeder, whether the whisky that was sold by your house as 'Crow' or 'Old Crow' came from W. A. Gaines & Co. or any of its predecessors?

A. I think it never did (R., p. 571).

Q. Have you ever heard of Woodford County?

A. Yes.

Q. Have you ever heard of 'Glenn's Creek'?

A. Yes.

Q. Before today?

A. Yes" (R., p. 572).

The "Magnolia" brand belonged to Mills, Johnson & Co. in 1867.

He testified further on cross-examination as follows:

"Q. How long have you been acquainted with W. A. Gaines & Co.?

A. I don't know W. A. Gaines & Co.

Q. Are you familiar with the price currents used in the whisky trade?

A. In a general way, yes.

Q. Do you use them or refer to them in your business?

A. Yes, sir.

Q. Please name the principal price currents for the whisky trade which you have so used and re-

ferred to in your business which are now being published?

A. Biles & Co. and Voss & Co.

Q. How long have you been acquainted with the 'Old Crow' whisky of W. A. Gaines & Co.?

A. I am not acquainted with it. Personally, I know nothing about it" (R., p. 573).

WILLIAM N. HOBART, aged 70, liquor dealer of Cincinnati, testifies:

"Q. Have you ever heard of the name of 'Crow'?

A. Yes.

Q. Or 'Old Crow'?

A. Yes.

Q. Or 'J. W. Crow'?

A. I don't remember 'J. W. Crow.' The terms 'Crow' or 'Old Crow' were very common names to the trade.

Q. How far back, Mr. Hobart, do you remember the use of any designations containing the word 'Crow'?

A. Well, it is a very difficult thing to go back forty or fifty years, and say exactly; but I can say in a general way that it is one of my earliest recollections in the business.

Q. The use of that word 'Crow'?

A. The use of that word.

Q. Now, will you kindly tell by whom the word 'Crow' was used, and upon what kind of goods?

A. Well, the word 'Crow' and 'Old Crow' was

used by a great many houses on whiskies that they turned out.

Q. What was the class of goods?

A. It was partly on the double stamp or the original goods, and partly on goods that bore a single stamp.

Q. I will ask you whether or not when it was used on double stamp goods, whether that use was restricted to any one house?

A. So far as I know, yes; I don't know of but one house using it on double stamp goods.

Q. In those days?

A. In those days I don't know of but one house using it on double stamp goods. I never knew of but one house using it on double stamp goods" R., p. 575).

Witness' house was sued for infringing the "Old Crow" brand in the '80s (R., p. 576).

On cross-examination he testifies:

"Q. How long have you been acquainted with 'Old Crow' whisky of W. A. Gaines & Co.?

A. Well, that is a pretty hard answer to make. I should say some time in the early '70s, or possibly as far back as 1868; but I could not—that is too far to remember with any certainty.

XQ. You have known W. A. Gaines & Co. for some time, have you not?

A. Oh, yes, I knew the concern before it was W. A. Gaines & Co. I cannot at this minute recall the style, though.

XQ. Gaines, Berry & Co.?

A. Gaines, Berry & Co.; yes, that is it.

XQ. And do you recall Gaines, Berry & Co. as having been a producer of 'Old Crow' whisky?

A. Yes.

XQ. Are you familiar with the leading price lists of the whisky trade?

A. Now? Oh, yes.

XQ. Please name the principal ones?

A. Those in Cincinnati, you mean? They are in Cincinnati anyhow. I don't know of any large price lists; there are circulars—but the only regular price lists, I think, come from Cincinnati, H. W. Voss & Co., W. C. Biles & Co. and the J. W. Biles Co. and M. Durner & Co.

XQ. Do you use these price lists?

A. I refer to them.

XQ. When the words 'Old Crow' appear listed in one of those price lists, whose whisky do they mean?

A. That refers to the whisky made by W. A. Gaines & Co." (R., pp. 577-578).

On redirect he testifies that he recognized Gaines, Berry & Co. as the producers of "Old Crow" (R., p. 579).

On recross-examination he testifies:

"RXQ. What reason have you for believing you had a right to use 'Old Crow' or 'Crow'?

A. Because it was very generally used by the trade all through the country. I knew of so many houses using it, because I wrote to Paris, Allen & Co. at that time that they had known

of its use for a great many years and had never entered any objection to it; I think ours was the first objection that I knew of.

RXQ. The houses that were using this brand were generally known as being counterfeiters and fakers of all letigimate brands of Kentucky whisky, were they not?

A. No; they were not. The ethics of the trade are quite different now. That is very carefully watched now. Mida, of Chicago, publishes a book of brands that we use and refer to that now before taking up a brand. We never touch a brand—at that time it was not considered anything out of the way to use any brand we pleased; it was not considered anything disgraceful, or anything that was wrong.

RXQ. What we now call 'piracy' in the trade was quite generally indulged in?

A. What you call 'piracy' now was very common then'' (R., p. 580).

On further redirect he testifies:

“RDQ. In the early days, up to 1870, was the use of these brands regarded as 'piracy'?

A. Not at all.

RDQ. Why not?

A. Well, I don't think people had got up to that standard of business honor at that time; there was a different feeling about it than in the trade now. Now a house like James Walsh & Co., or our own, could not be induced to use a brand that belonged to another house, whether a registered brand or not'' (R., p. 580).

“RDQ. What was the condition of affairs as to the commonness of a brand with reference to business honor?

A. There was no sentiment then prevailing that the use of any brand was a matter of business honor, or in any way a violation of it.

RDQ. Why do you use the word ‘piracy’ in connection with that?

A. I say, it would now be regarded as ‘piracy’ —not at that time” (R., p. 581).

JOHN T. MAYSE, aged 31, gives testimony as to what he claims to have seen of the machinery at complainant’s Old Crow distillery. His testimony, if true, has no bearing on the issues (R., p. 581).

ABRAHAM RHEINSTROM (R., P. 588) is 61 years of age and in the liquor business in Cincinnati since 1862, when he was with Freiberg & Workum, and he alleges they applied the “Crow” brand to a blended whisky. He identifies a day-book of Freiberg & Workum showing sales beginning May, 1866, and ending October, 1869, and points out sundry sales of so-called “Crow” whisky (R., p. 590). The book is in evidence as “Exhibit A to Rheinstrom Deposition” R., p. 592).

On cross-examination: Was acquainted with the “Old Crow” whisky of W. A. Gaines & Co. by reputation for a long time; recollects the firm of Gaines, Berry & Co., predecessors of W. A. Gaines & Co. Has handled the Old Crow of W. A. Gaines & Co.

and “knows it to be listed as ‘Crow’ whisky” in the price currents of the whisky trade (R., p. 593). These price currents go back into the ’80s, and where the words “Old Crow” appear in them they indicate whisky of W. A. Gaines & Co.

Freiberg & Workum owned the Bowen brand and were represented in St. Louis by William Mida. S. N. Pike & Co. owned the “Magnolia” brand. Witness did not know that I. & L. M. Hellman made a rectified whisky and sold it as “Bowen” (R., p. 594).

EMIL L. CHARROPPIN, 62 years of age, resides in Covington, La., was in the employ of I. & L. M. Hellman from 1866 until some time in 1870 (R., pp. 597-598).

He was traveling salesman; first traveled through Illinois and parts of Missouri, and afterwards as far south as New Orleans, through Tennessee, Arkansas, Mississippi and Louisiana. The brands which he sold were Nectar, Planters’ Favorite, Crow, Arnold’s, Rohrer, Bowen and Pepper. The whisky which he sold as “Crow” was “a blend that was made between spirits, from spirits and straight goods” (R., p. 598).

After leaving their employ was in business for himself and purchased the “Crow” whisky from them for many years (R., p. 600). He is positive he sold “Old Crow” to many people, but can not recollect the names (R., p. 604).

On cross-examination, when asked if he knows whether I. & L. M. Hellman used any of the whisky from Oscar Pepper's distillery in making the compound sold by them as "Old Crow" whisky, he answers, "I don't know" (R., p. 605).

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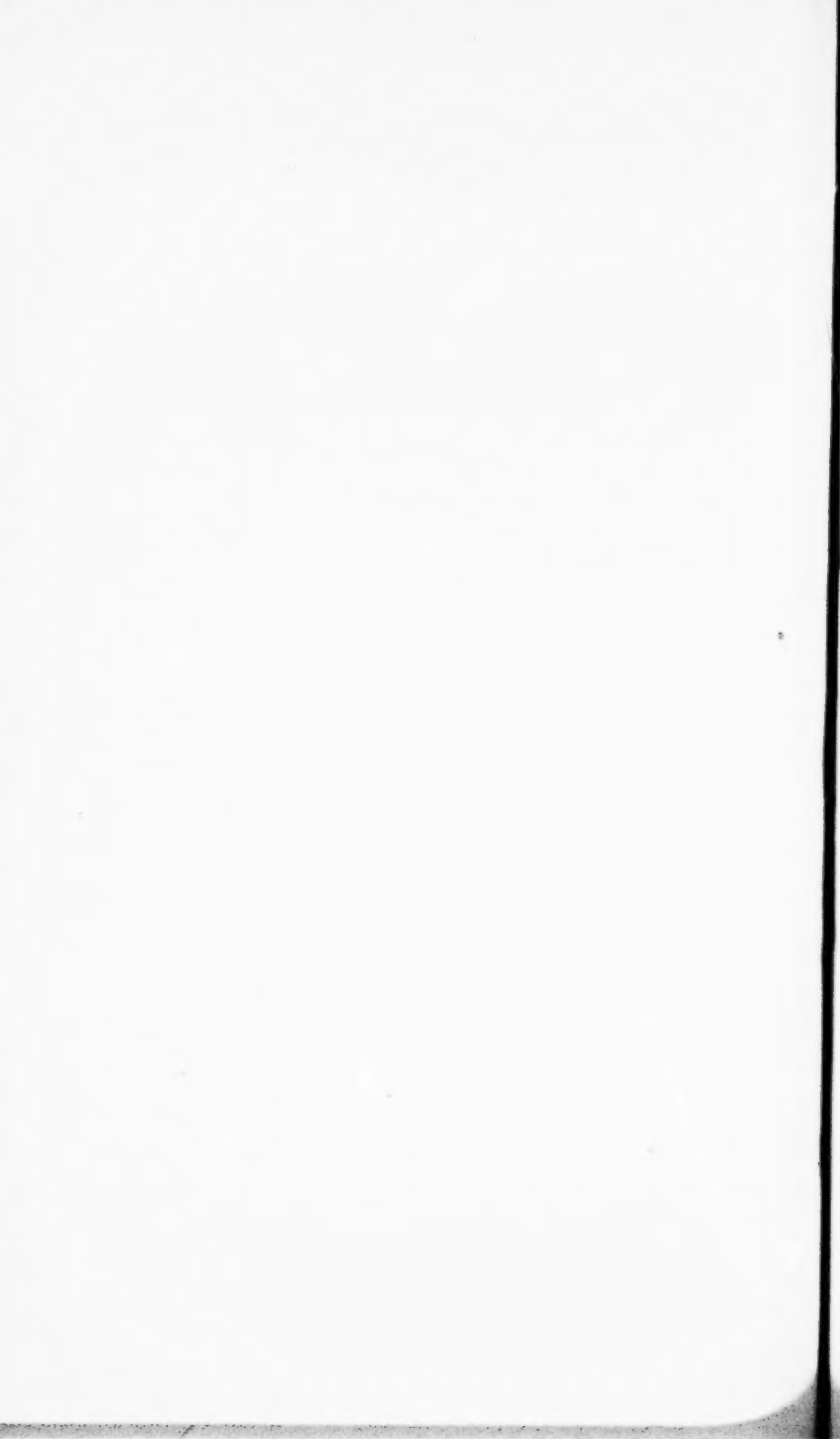
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IN THE
SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1917.

ROCK SPRING DISTILLING COM-
PANY and SILAS ROSENFELD,
Petitioners,

vs.

W. A. GAINES & COMPANY (a Cor-
poration),

Respondent.

No. 311.

REPLY BRIEF FOR PETITIONERS.

**THE DOCTRINE OF RES JUDICATA PROPERLY
INVOKED IN THIS CASE.**

GAINES in the "conclusion" of its brief ("XXII",
p. 81) asks:

"Even if that Court of Appeals (Sixth Cir-
cuit) was bound by such a former decision

(Eighth Circuit Court of Appeals), is it possible that this Court is helpless to inquire into the facts, and redress the wrong, and protect the public from further imposition and fraud at the hands of commercial pirates who are diverting the plaintiff's trade and passing off spurious goods upon the public?

“This Court must determine what was decided in the Eighth Circuit Court. It must see that in order to reverse the Circuit Court (Judge Dyer), the vital evidences of fraud were ignored by the (Eighth Circuit) Court of Appeals; and, in that event (the truth of which can be ascertained by a **simple casual comparative reading** of the two Eighth Circuit opinions (that of the trial court and that of the Eighth Circuit Court of Appeals which reversed the trial court)), is this Court helpless to redress a flagrant wrong which it was asked at the time to review by *certiorari*? (212 U. S. 572.)”

Gaines' position is stated earlier in its brief as follows (pp. 30-31):

“Petitioners sought, and presumably obtained, the writ of *certiorari* from this Court upon the ground that it was necessary in order to remove conflict between the doctrines obtaining for the two circuits, but insists that the remedy must be, not the annulment of the doctrine which is unsound, but of the doctrine last announced, sound or unsound. Of course, this contention is untenable because there would be presented no case of conflict but simply a case of prior ad-

judication. Such case might exist as well between judgments in the same circuit, or even in the same court, as between judgments of different circuits. Indeed, it would exist in every case where *res judicata* might be pleaded. When, therefore, this Court grants its writ of *certiorari* upon the assumption of the duty to remove conflict between decisions in the two circuits, it is granting the extraordinary remedy of *certiorari* for a public purpose, viz, to settle the doctrine between circuits correctly, *i. e.*, by announcing the true doctrine for both circuits. This involves, of course, this Court's determination of the merits of the controversy in each circuit."

Unfortunately for Gaines' present contention, the rule is quite otherwise. Early in the history of the proceedings growing out of the Circuit Court of Appeals' act, the position now contended for by Gaines was urged before this Court in the leading case of *Forsyth v. Hammond* (166 U. S. 507). The rules there laid down in the opinion of Mr. Justice Brewer have ever since been regarded as the tests of *certiorari* to Circuit Courts of Appeal. "It is a power" (said the Court, 166 U. S., pp. 514-515)

"which will be sparingly exercised and only when the circumstances of the case satisfy us that the importance of the question involved, the **necessity of avoiding conflict between two or more Courts of Appeal**, or between Courts of Appeal and the court of a state, or some matter

affecting the interests of the nation in its internal or external relations, demands such exercise.

“Among the considerations thus suggested are those which indicate why in this case the Court properly exercised its power and issued the writ of *certiorari*. There was a conflict between the decision of the Circuit Court of Appeals for the Seventh Circuit and the Supreme Court of the State of Indiana. The latter Court had declared that the proceedings by which the contiguous territory was annexed to the City of Hammond were legal, and therefore that the territory was to be considered by all the officers of the State of Indiana as within the territorial limits of the city. The United States Circuit Court of Appeals by its decision in this case had declared that such annexation proceedings were invalid and that the property of the petitioner was not within the city limits.”

Addressing itself to the merits of the case, the Court said (166 U. S., pp. 517-518):

“The decision of the Supreme Court of Indiana was in favor of the validity (of the annexation proceedings), that of the Court of Appeals against this validity. Can she (the plaintiff) after its (Indiana Supreme Court) decision be heard in any other tribunal to collaterally deny the validity thereof? **Does not the principle of res judicata apply in all its force?** Having litigated the question in one competent tribunal and been defeated, can she litigate the same question in another tribunal, acting independently and

having no appellate jurisdiction? The question is not whether the judgment of the Supreme Court (of Indiana) would be conclusive as to the question involved in another action between other parties, but whether it is not binding between the same parties in that **or any other forum**. The principles controlling the doctrine of *res judicata* have been so often announced and are so universally recognized that the citation of authorities is scarcely necessary. Though the form and causes of action be different, a decision by a court of competent jurisdiction in respect to any essential fact or question in the one action is conclusive between the parties in all subsequent actions (citing *Cromwell v. Sac County*, 94 U. S. 351; *Lumber Co. v. Buchtel*, 101 U. S. 638; *Nesbit v. Riverside Independent District*, 144 U. S. 610; *Johnson Co. v. Wharton*, 152 U. S. 252; *Last Chance Mining Co. v. Tyler Mining Co.*, 157 U. S. 682.)

The Court, in the Forsyth case, had the benefit of oral argument and briefs by former President Harrison and former Attorney-General Miller, both able and distinguished lawyers, and familiar with the purpose and history of the Court of Appeals statute—one of them as President had signed the act and made the first appointments under the law; the other had been the chief law officer of the Government during the same period.

Yet this Court ruled against them in their effort to uphold the court below, the effect of which would

have been to approve the view now advanced by Gaines, and that decision has been regarded as the law ever since.

Gaines' questions must therefore be answered in the negative. This Court **is** powerless, even in a *certiorari* case based on conflict of decision, to open up and set aside the final decree first rendered. *Res judicata* is just as applicable in this case as it would have been if the Court of Appeals act had never been passed and this case were here on direct appeal.

Priority of the Hellmans in the adoption and use, and good faith in the adoption and use of their brand Crow and Old Crow having been found as a fact in favor of the Hellmans and against Gaines by the Eighth Circuit Court of Appeals, that finding, there final, will not be disturbed here.

**GAINES' 1909 REGISTRATION, IN THE FACE OF
THAT PRIOR JUDGMENT, IS INVALID.**

Gaines' brief utterly fails to meet the issue of invalidity of registration. On the contrary, Gaines' own interpretation of the Eighth Circuit Court of Appeals' decision is that the Hellmans had the right to use the words Old Crow on blended whiskey in the Eighth Circuit and in the lower Mississippi country (Gaines' Brief, p. 42). But the "**Lower Mississippi country**" and "**the Eighth Circuit**" are in the "**United States**", and "blended whiskey" constitutes merchandise of

the same descriptive properties as “straight rye and Bourbon”, and the Hellman right to this use was well known to Gaines and its officers when Gaines’ 1909 application was filed under Section 1 of the Trade Mark Act.

Section 2 of that Act reads:

“That the application prescribed in the foregoing section, **in order to create any right whatever in favor of the party filing it**, must be accompanied by a written declaration verified by the applicant, or by a member of the firm or an officer of the corporation or association applying, to the effect that the applicant believes himself or the firm, corporation or association in whose behalf he makes the application, to be the owner of the trade-mark sought to be registered, and that **no other person, firm or corporation in the United States**, to the best of the applicant’s knowledge and belief, has the right to use such trade-mark in the identical form or such near resemblance thereto as might be calculated to deceive.”

By section 5 registration is denied to a mark where there is an outstanding right to use the same mark on goods of the same descriptive properties.

Research fails to disclose a single instance where registration has been granted to an applicant where there was an outstanding earlier use on goods of the same descriptive properties in the United States.

The 1909 registration is invalid. It never would have been issued had the true facts, well known to Gaines, been disclosed by Gaines in its affidavit.

GAINES, THOUGH CHARGING THE HELLMANS WITH PIRACY, THEFT, IMMORALITY AND SUBSTITUTION, HAS FAILED TO SHOW ONE SINGLE INSTANCE OF SUBSTITUTION OR EVEN MISTAKE.

Gaines' brief in its concluding plea (Gaines' Brief, p. 82) denounces what it terms petitioners' claim

"of right to CONTINUE TO DEFRAUD THE PURCHASING PUBLIC, BY SUBSTITUTING ON ORDERS (OF PHYSICIANS, HOSPITALS OR OTHER CONSUMERS) for genuine Old Crow whiskey of the plaintiff, the cheap, inferior and nameless substitute of an unknown and willfully competing distillery."

At first reading it might be thought that this language was intended to refer to specific portions of the record showing that such substitution on orders of physicians had already occurred in hospitals. There is no such evidence whatever.

Gaines at page 40 of its brief, in discussing the Eighth Circuit Case, uses the following language with reference to the Hellman Old Crow:

"Not a scintilla of evidence was offered by peti-

tioners (meaning the Hellmans) to show either any damage to them nor that any one ever purchased of respondent under the impression that it was petitioners' (the Hellmans') whiskey. Such claim was, of course, knowingly false. Otherwise, an attempt would have been made to prove it."

The foregoing is from Gaines' pen, not ours.

The language, *mutatis mutandis*, is equally applicable to Gaines' whiskey in its relation to the Hellmans.

Gaines produced many witnesses in the Eighth Circuit case to the effect that the **necessary result** of the continuance of the use of the Hellman Old Crow mark "would be a great loss (*e. g.*, witness Hermann, Rec., pp. 355, 362), but the Eighth Circuit Court of Appeals found that notwithstanding this testimony, under all the evidence in the case, "the complainant has failed to show that the defendants (the Hellmans) palmed off their whiskey on anybody as that of the complainant's manufacture" (Rec., p. 981).

In the Sixth Circuit case, witnesses for Gaines testifying in 1912 (the suit was filed in September, 1909) gave it as their opinion that "Gaines' business was bound to suffer seriously" if the Hellman use of Old Crow on the Rock Spring product were permitted (Rec., p. 190).

Yet not one instance was then or has ever been pro-

duced by Gaines where any mistake or substitution, innocent or otherwise, has occurred.

In the face of this state of the record, Gaines in its brief (p. 81) calls upon this Court to

“redress the wrong and protect the public from further imposition and fraud at the hands of commercial pirates who are diverting the plaintiff’s trade and passing off spurious goods upon the public” (Gaines’ Brief, p. 81).

If, in point of fact “any diversion of trade” had occurred or “any passing off of spurious goods” had ever taken place, Gaines’ abundant facilities for discovering evidence would most certainly have revealed it.

The fact that no instance was produced and that nothing more tangible than the speculation of witnesses as to what might, would, could or should happen, may well be taken as proof positive that no such instance ever did occur, or, amongst persons of even moderate intelligence, ever could occur.

**THE HANOVER MILL CO. CASE (240 U. S. 403)
INVOLVED ONLY COMMON-LAW UNREG-
ISTERED TRADE-MARKS.**

In that case there had been no prior adjudication of priority against one claimant and in favor of another. There was no registration by any claimant, much less

a registration by a claimant already adversely adjudicated as to priority. There was diversity of citizenship and on that fact and that fact alone Federal jurisdiction rested.

In the present case there is no diversity of citizenship, but there is Federal registration, and on that fact and that fact alone Federal jurisdiction rests.

In view of Gaines' affidavit of February 20, 1909, the *suppressio veri* thereby practiced as to the prior adjudication can not well be regarded as aught but deliberate. The 1909 registration "**created no right whatever**" under the Trade-mark Statute (Sec. 2, Act February 20, 1905; 33 Stat. 724), unless the statutory affidavit accompanied it negating the existence of an outstanding use by another in the United States of the same mark on the same class of goods. The right to Federal jurisdiction, which arises solely from registration, was a right which, if it exists at all, owes its creation to the registration. In view of the character of this affidavit, Federal jurisdiction must fail and Gaines' bill must be dismissed.

GAINES' AUTHORITIES.

We have already discussed the Hanover Mill case (240 U. S. 403).

Gaines again cites (Gaines' Brief, p. 57), as in previous briefs, *Heublein v. Adams*, 125 Fed. 782, as to the witness Mida. All of this Mida testimony was before the Court in the Eighth Circuit case and has passed into the final decree of the Eighth Circuit Court of Appeals. But in view of the deference apparently paid by the Sixth Circuit Court of Appeals to Mida's testimony, we quote from Judge Colt's opinion in the Heublein case (125 Fed. 782, 785), as follows:

"The complainants adopted 'Club Cocktail' as the distinguishing mark for their goods in September or October, 1892. In 1898—five years later—the Otis S. Neale Company of Boston caused to be inserted in Mida's Registry a label on which appears the words, 'Outing Club Cocktails', with the accompanying statement, 'Used Since 1894.' **The published notice to the world that the 'Outing Club Cocktails' began in 1894 raises a strong presumption against any intention to appropriate it at an earlier date.** It may be that a few bottled cocktails having this brand were put up at an earlier date, **but I do not think the evidence establishes any commercial use of this name SUFFICIENT TO OVERCOME THE DATE DELIBERATELY FIXED IN MIDA'S REGISTER.**"

Mida's Trade-mark Register containing the Gaines Old Crow registration (offered in evidence by Gaines) reads: "**Used since Dec. 1870**" (Rec., p. 689). Judge Colt is right. There is a very strong presumption that the date deliberately fixed in the Mida registration filed with Mida in 1889 long before any thought of the present contest arose is correct, and the presumption will prevail against testimony given more than fifteen years later. This record so made in Mida's Trade-mark Bureau is much more persuasive than the testimony of Mida given in the Eighth Circuit case in behalf of so liberal a patron of advertising as Gaines professes to be. Particularly when Mida's own recollection can not run back of W. A. Gaines & Co.—he never heard of Gaines, Berry & Co.—and it is admitted by all that W. A. Gaines & Co., the partnership, was not organized until 1870. The year 1870 was the date fixed by Gaines in its first two registrations in the U. S. Patent Office. It is the date fixed in the Mida registration. Is it strange that the Eighth Circuit Court of Appeals found that "No unprejudiced mind can read the evidence in this case without the impression that the conception of a trade-mark in the words 'Old Crow' did not enter the mind of Gaines, Berry & Co. prior to 1870?"

Gaines' other authorities are of little assistance to the Gaines contention in the present case. The distinction between straight and rectified whiskey may

avail for Kentucky taxing purposes (*Brown-Foreman Co. v. Com.*, 125 Ky. 48), and in issues that arise among the Taylors in family distilling controversies (*Taylor v. Taylor*, 124 Ky. 181), as noted in the cases cited by Gaines. But any such attempted distinction in trade-mark cases had been distinctly repudiated in the Federal courts (*White v. Miller*, 50 Fed. 277; *American Tobacco Co. v. Polasek*, 170 Fed. 117, 120; *Carroll v. Ertheiler*, 1 Fed. 688, 690). And the decisions of the Court of Appeals of the District of Columbia in applying the Act of 1915 will be searched in vain for any ruling remotely resembling that now urged by Gaines based upon those two Kentucky decisions.

On the contrary, articles so distinct as coffee and cocoa (*Baker v. Harrison*, 32 App. D. C. 272) have been held to be in the same class and of the same descriptive properties (see authorities in our principal brief, pp. 122-4). Straight and blended whiskey certainly have the same descriptive properties and are of the same class (*White v. Miller*, 50 Fed. 277).

Manifestly, the Davids case (233 U. S. 461) and the Coca-Cola case (215 Fed. 527) do not apply, for they depend entirely on the ten-year clause; whereas Gaines has been adjudicated by the Eighth Circuit Court of Appeals not to have the right to the exclusive use, and Gaines' 1909 registration did not purport to be based upon the ten-year clause of the act.

But, says Gaines:

“The Eighth Circuit Court of Appeals disregarded this finding of fraud (by the trial court, Judge D. P. Dyer) and ignored the facts on which it was based.

“The Court (the Eighth Circuit Court of Appeals) in so doing, did precisely what this Court reversed it for in the recent case of Adamson v. Gilliland; and the trial judge in that case was the same (Judge David P. Dyer)” (Gaines’ Brief, p. 80).

But in the Gilliland v. Adamson case (242 U. S. 350), *certiorari* was applied for **and granted**. In Kahn v. Gaines, the Eighth Circuit Court of Appeals case, Gaines applied for *certiorari* and the application **was denied**.

The allusion to the duty of an Appellate Court to defer to the finding of fraud by a Chancellor in Adamson v. Gilliland entirely loses its force in the present case when it develops that the Adamson case was tried under the **new equity rules** and the witnesses who testified both in that case and in the Wisconsin case which Judge Dyer followed, appeared in open court before the trial judge, who thus had the advantage over the Appellate Court, who were obliged to read from the cold record, whereas the Eighth Circuit case of Gaines v. Hellman was tried **under the old equity rules**, all

the testimony was by deposition taken before notaries public. There was no finding by a Master—none was appointed in the case—no witnesses appeared face to face before the trial judge. All the evidence went up to the Court of Appeals and that Court was in exactly the same position to pass upon the credibility of the witnesses and to make a correct valuation of the testimony as was the trial court.

But the outstanding fact is that the finding and decree of the Eighth Circuit Court of Appeals is final—it has never been reversed or modified. The Sixth Circuit Court of Appeals might properly refer to the record in the Eighth Circuit to interpret and uphold the final decree there rendered, not to rewrite or overthrow that decree. That decree was binding in the Sixth Circuit, as well as in the Eighth, between the same parties or their privies.

Gaines presses its argument based upon the Magnolia brand adjudicated in *Kidd v. Johnson* (100 U. S. 617) here even more vigorously than it did in the court below.

The Magnolia argument was a matter fully developed and vigorously urged by Gaines in the Eighth Circuit case, and it there properly failed of all force or effect. No issue was ever made in the pleadings based upon the Magnolia brand. Gaines had no title to it. Neither Gaines nor Hellman was a party to the *Kidd v. Johnson* controversy, nor was either at

any time in privity with those parties. The testimony before President Taft discloses that Pike's Magnolia was a rectified or compounded whiskey from the earliest days on down. It was not a distiller's brand. Whether or not the Hellmans were using the brand, and if so, whether or not their use was lawful is not an issue in this case.

When an issue involving the Magnolia brand is properly made up, the Hellmans will be prepared to meet it.

"PSYCHOLOGICAL CONDITIONS."

The Freiberg correspondence is brought in by Gaines on the plea that it is an unconscious revelation of **PSYCHOLOGICAL CONDITIONS**". We apprehend that this case will be determined upon the **law and the facts**, and not upon psychology or **psychological conditions**.

Those "conditions" are totally irrelevant to this case. The "negotiations fell through", as Gaines points out (Gaines' Brief, p. 89). The Hellman Distilling Company was never a party to them. They were an effort by Mr. Freiberg representing the heirs of A. M. Hellman, who had died in December, 1904 (barely a month after Gaines filed the Eighth Circuit suit), to realize on an equitable or moral duty which he asserted in behalf of said heirs by reason of

their having continued to bear three-fourths of the expense of the defense of the Eighth Circuit case, after the Hellman Distilling Company was organized in January, 1905. This equitable or moral obligation, though not binding as a matter of law, was later recognized by the Hellman Distilling Company, and the heirs were satisfied. The Hellman Distilling Company having lawfully acquired the business and good will of the former firm of A. M. Hellman & Co. in January, 1905, at all times thereafter continued to operate same and continued their Old Crow business, except during the period when it was enjoined. Mr. Freiburg did not represent the Hellman Distilling Company in these negotiations—manifestly he was dealing at arms' length with Rock Spring. The "psychology" of his correspondence is not chargeable to the Hellman Distilling Company or Rock Spring as its agent.

THE "INVASION OF KENTUCKY".

The head and front of the Hellmans' offending seem to be that they have "**emigrated**" to Kentucky. A reading of Gaines' brief (pp. 52, 72, 73) might tend to create the impression that **after** the rendition of the Eighth Circuit Court of Appeals opinion (1908) the Hellmans then first leased a distillery in Kentucky for bottling in bond purposes. Such is not the fact.

Whiskey produced in 1908 could not have been bottled in bond before 1912 (four years is the minimum age for bottling in bond purposes—29 Stat. 626, Sec. 2; U. S. Int. Rev. Reg. 23, Art. XIII, p. 9), whereas Rock Spring was bottling in bond for the Hellmans in 1909 (Rec., p. 185).

The facts are that the firm of A. M. Hellman & Co., in accordance with a custom well recognized in the distilling business and approved by the Internal Revenue Department, leased the Rock Spring Distillery for a run of whiskey as early as 1904 (the negotiations were by A. M. Hellman, who especially selected a high-grade quality [Rec., p. 185]). This was **before the filing of the Eighth Circuit suit**. In 1905 the Hellman Distilling Company (which had taken over the Hellman business in January of that year) repeated the lease, and again in 1906, 1907, 1909 and 1910 (Rec., p. 195). Whiskey made under the lease referred to in Arthur Rosenfeld's letter of April 23, 1909 (Gaines' Brief, p. 73), could not have been bottled in bond until 1913. Whiskey distilled by A. M. Hellman & Co. in 1904 was bottled in bond for the Hellman Distilling Company by Rock Spring in 1909.

Thus it will be seen that the "emigration to Kentucky" took place, **not subsequent** to the Eighth Circuit Court of Appeals decree, but **long prior thereto**, and the bottling in bond at Rock Spring Distillery in 1909 was but the lawful exercise by the Hellmans of

the right conferred upon them by Congress (29 Stat. 626) and the Internal Revenue regulations, to apply through their agent their own label to their own goods.

In point of fact the goods so labeled were **all shipped** to the Hellmans in **St. Louis** for distribution from St. Louis.

THE MORAL ISSUE AS APPLIED TO GAINES' ACTIONS.

Gaines has assumed a very high moral ground and in so doing has been led to rather vehement denunciations of the Hellmans and their business. It is only fair to say that the Hellmans have acted clearly within their legal and moral rights throughout.

The Court can not fail to have noted the conduct of Gaines in refraining, **under the advice of counsel**, from answering either of Rock Spring's letters (May 24 and June 7, 1909; Rec., pp. 95-6), stating the receipt of a rumor that Gaines was contemplating some action against them, frankly disclosing what Rock Spring was doing for the Hellmans, and inquiring as to what objection Gaines might have to the use of the label in the manner mentioned.

Gaines had already filed in the Patent Office the affidavit **suppressing the facts** as to the Hellman's

use and the Eighth Circuit Court of Appeals' decision.

Gaines, though in receipt of these direct inquiries, **suppressed all reference** to the pending application in the Patent Office.

Here was a direct request prompted by a rumor undoubtedly based upon some "leak" in the Gaines censorship over what it was then doing in the *ex parte* proceeding. Rock Spring's action is prompt, and its appeal direct to Gaines itself. Gaines receives the letters, refers them to counsel, upon advice of counsel ignores the letters, proceeds with the pending application, secures registration in the *ex parte* proceedings, and begins suit based upon such registration.

We refrain from characterizing the morality of this conduct. It characterizes itself. A realization of its true nature may be taken as some excuse for the fury with which Gaines has drawn upon the vocabulary of vituperation almost at each mention it makes of the Hellman's conduct.

**GAINES' PRESENT CONTENTION THAT THE
EIGHTH CIRCUIT JUDGMENT WAS IN ITS
FAVOR AND ADVERSE TO THE HELLMANS
MANIFESTS A STRIKING INCONSISTENCY.**

Gaines in its Brief (p. 52) contends that,

“The Hellmans were adjudicated in the Circuit Court not to be the owners of the brand and trade-mark, and to have no right to any injunction against respondent (Gaines), and that such judgment became final and unreversible by reason of the abandonment by petitioners (the Hellmans) of their cross-bill.”

And again, at page 72 (Gaines' Brief):

“We confidently assert that it is absolutely demonstrated by the Eighth Circuit litigation that **appellant's** (evidently intended to refer to Gaines') title to its brands and trade-marks are indubitably established and Hellman's pretensions held a fraud.”

In the light of this asserted confidence by Gaines in the Eighth Circuit final adjudication, it is difficult to understand why this suit was not instituted in St. Louis within the Eighth Circuit, directly against the Hellmans, who were well known to Gaines, prior to the filing of the present bill, to be the real party in interest. Yet, notwithstanding this asserted

confidence, Gaines elected not to rely upon the courts of the Eighth Circuit, but to hazard its fortune in another circuit.

Again, on the one hand, Gaines now asserts that its "title to its brands and trade-marks are indubitably established by the Eighth Circuit litigation", and on the other hand asks that the final judgment of the Eighth Circuit Court of Appeals be opened up and set aside as erroneous.

Though the cross-bill containing the Hellman prayer for affirmative relief in the Eighth Circuit case was treated by the parties in stipulation (Rec., p. 286) as identical with the amended bill as far as the testimony taken by either party was concerned, and though the cross-bill was regarded by the trial court in the Eighth Circuit (Judge Dyer) as "presenting practically the same question as the bill" (Rec., p. 669), nevertheless the Sixth Circuit Court of Appeals deduces most disastrous results to the Hellmans because of the fact that in the Eighth Circuit Court of Appeals they did not insist upon affirmative relief. The Eighth Circuit Court of Appeals attached no significance to their action in that regard (Rec., p. 976) nor did Gaines in its petition to this Court for *certiorari*, but quoted Judge Dyer's opinion, including his statements, "The bill and cross-bill present practically the same question," "The claim that is made in their (Hellmans') answer as well as their

cross-bill that they adopted the trade-mark of 'Old Crow' long before 1867 can not be allowed." (Petition, W. A. Gaines and Co. v. Kahn, No. 455, October, 1908, Term U. S. Supreme Court, pp. 8, 13; brief in support of said petition, pp. 11, 14.)

On the contrary, Gaines, in its said first petition to this Court for *certiorari*, further said:

"A decree was entered in accordance with the foregoing opinion (Judge Dyer) and an appeal was taken by the respondent to the United States Circuit Court of Appeals for the Eighth Circuit. On the hearing in that court at the March Term, 1908, before Judge Phillips and Judge Sanborn, counsel for respondents abandoned the claim for affirmative relief on the cross-bill. The judgment of the Circuit Court was reversed on the sole ground that the respondents had used the words 'Crow' and 'Old Crow' before the petitioner had adopted the words 'Old Crow' as a trade-mark. * * *

"The Circuit Court of Appeals found that the liquor prepared and sold by the respondents, with the labels and brands herein described, was a blended whiskey, but attached no importance to that fact, merely saying: 'Whether this (blending) made it better or worse than that manufactured by the complainant does not affect this case.' " (Petition, W. A. Gaines and Co. v. Kahn, No. 455, October, 1908, Term, U. S. Supreme Court, p. 15.)

The Sixth Circuit Court of Appeals in its "interpretation" of the Eighth Circuit Court of Appeals decision seemed impressed with Gaines' contention that the Hellman business in its early days had not been large, and that the Hellman witnesses testifying as to transactions forty years old should not be taken "at their face value", but their evidence should be discounted or disregarded.

It is altogether erroneous to exclude the testimony of Mr. Hauessler, a well-known lawyer in St. Louis, as to constant sales and regular trade from 1862 (Rec., pp. 547-550), and the testimony of witnesses Heron (Rec., pp. 488-491), Urner (Rec., pp. 466-482), Brennan (Rec., pp. 559-561), Hellman (Rec., pp. 550-9), Hugo (Rec., pp. 518-522), Schaeffer (Rec., pp. 541-7), Charropin (Rec., pp. 597-607).

If, as Gaines attempts to establish in the case of the Hellmans, evidence of sales is to be confined solely to book entries, then Gaines' whole case fails, for Gaines has not shown a single book entry as to its own sales.

Gaines, in an appendix to its brief (pages 83-148) abstracts **the Eighth Circuit evidence**. All of this, of course, passed into judgment in the former case. The Eighth Circuit Court of Appeals in its finding quotes some of the same witnesses. The testimony of the witness Schaefer as given by Gaines (Gaines' Brief, p. 49) scarcely conveys the idea which he em-

phatically expressed, namely, that he always got the goods he asked for, it was fine whiskey, and the Hellmans always treated him correctly; that he himself was not a judge of whiskey, but his trade liked the Hellman goods (Rec., pp. 543, 545); and the testimony of Liemke as given by Gaines might be thought to leave the impression that Liemke was able to testify as to the Hellman glass sign only from 1878 on (Gaines' Brief, pp. 129-130), barring one made in 1867, whereas Liemke testified as to a hundred or more being made for the Hellmans from 1866 on, and consignments of as many as ten at a time being sent to the Hellmans as early as 1866 (Rec., p. 501).

The Sixth Circuit Court of Appeals takes the testimony of Gaines' witnesses testifying as to events more than fifty years back at more than its face value and supplies by inference and argument what is wanting in substance, and makes a finding of priority of adoption by Gaines squarely in the teeth of Gaines' contemporaneous claim of "1870", in fatal repugnance to Gaines' Eighth Circuit averment of adoption in 1867, and in flagrant conflict with the finding of the Eighth Circuit Court of Appeals, whose opinion and finding the Sixth Circuit Court of Appeals was professing to interpret.

The Sixth Circuit Court of Appeals has decided as issues in the Eighth Circuit case matters never put in issue in that case and has found as facts in favor

of Gaines matters which Gaines, by its pleadings in the Eighth Circuit case, admitted were not facts.

**GAINES WOULD REINSTATE THE ORIGINAL
EIGHTH CIRCUIT FINDING DECREE WHICH
WAS REVERSED BY THE EIGHTH CIRCUIT
COURT OF APPEALS.**

Gaines' position frankly stated throughout is that the original decision of Judge Dyer at *nisi prius* in the Eighth Circuit was right, that a "simple casual comparative reading of Judge Dyer's decision with the Eighth Circuit Court of Appeals decision (Gaines' Brief, p. 81) will demonstrate **the truth**" of Judge Dyer's decision, and that this Court should reinstate Judge Dyer's decision, notwithstanding the fact that Judge Dyer's decision was reversed outright, and the decree which he had rendered set aside *in toto* for error, and such judgment of reversal is in full force and effect, unreversed and unmodified.

While we may well appreciate the ardor of Gaines' desire to have the Eighth Circuit Court of Appeals finding and decree set aside to the end that there may be reinstated a decision so satisfactory as Gaines found Judge Dyer's finding and decree to be, nevertheless Gaines' said desire can not, legally, be gratified. As was well said by Mr. Justice Baldwin in *Voorhees v. U. S. Bank*, 10 Pet. 449, 474:

“A judgment or execution irreversible by a superior court can not be declared a nullity by any authority of law, if it has been rendered by a court of competent jurisdiction of the parties, the subject matter, with authority to use the process it has issued; it must remain the test, the only test, of the respective rights of the parties to it. * * *

“The only difference in this respect between this and another court is, that no court can revise our proceedings; **but that difference disappears after the time prescribed for a writ of error or appeal to revise those of an inferior court of the United States or any state; they stand on the same footing in law.**”

The Sixth Circuit Court of Appeals has in effect reversed the Eighth Circuit Court of Appeals. The Sixth Circuit Court of Appeals in its first subdivision of its opinion states the first issue which it will consider as follows:

“The first objection which plaintiff’s alleged trade-mark must meet is that the words are descriptive, and so incapable of becoming a true trade-mark.”

The Sixth Circuit Court of Appeals is here meeting and passing upon an objection vigorously urged before the **Eighth Circuit Court of Appeals**, not the Sixth, unless it may be that the Sixth Circuit Court of Appeals itself found this to be an objection.

The Eighth Circuit Court of Appeals had said:

“Passing by the criticism made by defendants’ counsel of the words ‘Old Crow’ as a trade-mark, on the ground that in its origin it referred merely to the name of ‘Crow’ as the compounder of that grade of whiskey, and that its later use was merely designative of the quality of the article, and, therefore, it might not constitute a technical trade-mark if the complainant employed the words ‘Old Crow’ and ‘Crow’ in its trade as designating the quality of the whiskey sold by it, the defendants are not guilty of an invasion of the asserted exclusive monopoly of the complainant” (Rec., p. 980).

The Sixth Circuit Court of Appeals not only opens up the Eighth Circuit record and retries the case there decided (a course not warranted, even though the entire record in that case be present in this [Franklin Bank v. German Bank, 142 U. S. 93, 100-1]), but in making a new finding of facts for that case assumes a state of affairs in the whiskey trade which did not exist, which “assumption” (as the Court frankly confesses [Rec., p. 1053]) “somewhat colors its opinion”.

It furthermore “assumes” that Judge Sanborn did not concur with Judge Philips in his findings of fact (Rec., p. 1055), an assumption which is without basis in the record, and assumes that the two Judges

comprising the Court did **not unite** in putting their decision upon the finding of priority in favor of the Hellmans (Rec., p. 1020), and seems strongly impressed (Rec., pp. 1020, 1055) with the fact that only two Judges sat—a fact which in no way detracts from the binding effect of the Court's judgment, particularly in view of Gaines' stipulation that a third Judge might be called in in case of division of opinion (Rec., pp. 973-4).

The Sixth Circuit Court of Appeals has built up by inference a chain of facts as to Gaines' Kentucky predecessors (predecessors **in time only**), and the use of the words Old Crow in Kentucky, which not only was not found by the Eighth Circuit Court of Appeals—it was not even claimed by Gaines in the Eighth Circuit, where its amended bill (prepared and filed after Judge Adams had handed down his opinion sustaining exceptions to the original bill [Rec., pp. 662-4]) contained these averments:

“That Gaines, Berry & Co., in the year A. D. 1867, adopted and commercially applied the words ‘Old Crow’ as a trade-mark for whiskey distilled by them, and that said words ‘Old Crow’ were then open for adoption as a trade-mark for whiskey.” * * *

“That from the death of the said James Crow in 1855 until the year A. D. 1867, no whiskey was produced upon the said Glenn's Creek or elsewhere, to which the said words ‘Crow’ or ‘Old

Crow' were applied as a trade-mark. That the said words 'Crow' or 'Old Crow' had been left open for adoption by the death of the said James Crow (1855), and the cessation of the distillation of the whiskey designated by the said words, so that the same were lawfully appropriated and used by your orator's said predecessors in the year A. D. 1867." (Gaines' Amended Bill, Eighth Circuit [Rec pp. 209, 210].)

The Eighth Circuit Court of Appeals was perfectly justified in taking Gaines at its word (it was legally bound to restrict Gaines to the issue it had thus solemnly made), and in finding that words thus open for adoption during a given period were open for adoption by more than one firm, and in holding, as it in effect did, that if they were open for adoption by Gaines as a trade-mark upon whiskey they were open to adoption by the Hellmans upon whiskey. Thus priority and good faith were found in favor of the Hellmans. That finding may not be called in question and reversed in a collateral proceeding by the Sixth Circuit Court of Appeals.

"In the absence of fraud no question can be collaterally entertained as to anything lying within the jurisdiction of the original case. Infinite confusion and mischief would ensue if the rule were otherwise" (Mr. Justice Swayne in *Cornett v. Williams*, 20 Wall. 226, 250).

In *Kempe's Lessee v. Kennedy*, 5 Cranch. 173, 184, this Court laid down a rule which should have guided the Sixth Circuit Court of Appeals, even though it be- lieved that the finding of the Eighth Circuit Court of Appeals was clearly erroneous. Said Mr. Chief Jus- tice Marshall in that case:

"In this case two points are made by the plain- tiff in error.

"1. That the judgment rendered by the Court of Common Pleas, which is supposed to bar the plaintiff's title, **is clearly erroneous.**

"2. That it is an absolute nullity, and is to be entirely disregarded in this suit.

"However clear the opinion of the Court may be, on the first point, in favor of the plaintiff, it will avail her nothing unless she succeeds upon the *Second*." *In the Voorhies case, it was said by this court.*

"The errors of a court do not impair their validity; binding, until reversed, any objection to their full effect, must go to the authority under which they have been conducted."

Voorhies v. U. S. Bank, 10 Pet. 449 474.

The authority of the Eighth Circuit Court of Ap- peals to take the proceedings that it did take is un- questioned.

Its adjudication of priority and good faith in favor of the Hellmans is at once a bar to Gaines' present suit and an insuperable barrier to the creation of any right in favor of Gaines by the 1909 registration

as against the Hellmans, whose right **to use the mark in the United States** had been established by that judgment. The judgment of the Sixth Circuit Court of Appeals should be reversed with directions to affirm the decree and finding of the District Court.

W. T. ELLIS,

LUTHER ELY SMITH,

Solicitors and of Counsel for Petitioners.

APPENDIX.

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APPENDIX.

I. THE OPINION OF THE EIGHTH CIRCUIT COURT OF APPEALS.

(Kahn v. W. A. Gaines & Co., 161 Fed. 495, 88 C. C. A. 437; Rec., p. 975.)

The appellee (complainant below) obtained decree in the Circuit Court establishing its asserted claim to the words "Old Crow" as a trade-mark, enjoining appellants (defendants below) from the use thereof in their business, and finding the defendants guilty of unfair competition in business and ordering an accounting. The original bill was filed in November, 1904.

The bill alleges that the complainant is the sole and exclusive owner of a trade-mark for whiskey consisting of the words "Old Crow", which words were open to adoption as a trade-mark for whiskey in the year 1867, when the complainant's predecessor in business, Gaines, Berry & Co., adopted and commercially applied the said trade-mark for whiskey distilled by them, and that it acquired by assignment said trade-mark, which has been continuously applied by it and its predecessors in business upon packages containing whiskey from the year 1867 to the time of filing the amended bill.

The bill further alleges that in 1835 one James Crow became domiciled upon Glenn's Creek, Wood-

ford County, Kentucky, when and where he began the manufacture of whiskey of superior quality, which became designated about that time as "Crow" or "Old Crow", and that he was continuously engaged in the distillation of whiskey as "Crow" or "Old Crow" to his death, in 1855. That at that time a considerable quantity of said whiskey remained upon the market and was commercially known and dealt in until the year 1867; that no whiskey was produced during said period anywhere to which the words "Crow" or "Old Crow" were applied as a trademark; that in that year a predecessor of complainant, to wit, Gaines, Berry & Co., began the production on said Glenn's Creek of their whiskey, using the same process and material theretofore used by said Crow; that from 1835 to this time, the words "Old Crow" have been applied continuously to whiskey produced by the process of Crow and to no other whiskey whatever; that the distillation and production of said whiskey has always been on said Glenn's Creek and not elsewhere.

The bill further alleges that Abraham M. Hellman and Moritz Hellman, the defendants, had been guilty of fraudulent acts and unfair competition in selling a spurious compounded liquor as and for the complainant's whiskey, to its damage in the sum of \$5,000.00, and prayed for an accounting.

The answer denied specifically the allegations of the bill, alleged the ownership of the word "Crow", "Old Crow", "J. W. Crow", and the celebrated "Crow Bourbon", together with a figure of a crow in connection with their own business upon packages of whiskey in their and their predecessor's business, and so continued the use thereof from the year 1863 and

prior thereto; alleging that the whiskey sold by complainant under the words "Old Crow" was an unrefined, harmful and deleterious article, and that the whiskey sold by them was a blend largely free from impurities. The replication was general.

The defendants filed a cross-bill claiming the trademark in question and asking for an injunction. This need not be considered, as at the hearing the defendant's counsel declined to insist upon any affirmative relief.

The evidence tended to show that a man named James Crow, usually called "Jim Crow" and sometimes as "Crow," or "Old Crow," began the manufacture of whiskey in Woodford County, Kentucky, about the year 1850. The evidence does not show that he ever owned or operated any distillery in his own right, but worked for persons owning distilleries. He died about 1855. Prior to his death he worked at various distilleries in that neighborhood, to wit, at the Edwards Distillery, at Anderson Johnson's Distillery, at Jack Johnson's Distillery, at Johnson & Yancey's, at the Oscar Pepper Distillery, and at Captain Henry's Distillery. Whiskey made by him was called "Crow" or "Old Crow" as stated by one of the witnesses, just as whiskey made by Taylor was called "Old Taylor."

The process employed by Crow was what is known as "Hand-made" whiskey, but there was no secrecy about his process, nor did it differ materially from that employed by other distilleries of the same period. He used in the manufacture the grain grown in the neighborhood, which was not different from that grown in the Western States. When he worked at Johnson & Yancey's Distillery it was not known as

"Crow's" Whiskey, but as "Johnson & Yancey's." The old Oscar Pepper's Distillery, at which Crow at one time worked, was run by various distillers from 1855 to 1865. This whiskey was called "Old Oscar Pepper," and was sometimes called "Old Crow." The men who worked with him understood the process employed by Crow and used it in other distilleries.

The co-partnership firm of Gaines, Berry & Co. began business as distillers in Woodford County, Kentucky, in 1867, and operated the old Pepper distillery as claimed successors. This concern was later succeeded by W. A. Gaines & Co., a co-partnership, which, on the 9th day of July, 1882, filed in the Patent Office at Washington City application for registering the following as trade-mark:

"Old Crow Distillery, Woodford County, Kentucky. Copper distilled whiskey, W. A. Gaines, Distiller."

Accompanying this application was the statement that "this trade-mark we have used in our business since January, 1870." In 1887 W. A. Gaines & Company incorporated under the same name. In June, 1904, shortly before the institution of this suit and after the controversy had arisen between the complainant and the defendants respecting the use of the name of "Crow" or "Old Crow" in business, the complainant corporation filed in the Patent Office application to register as a trade-mark the words "Old Crow." The sworn statement of the officer of the company accompanying the application asserted that:

"This trade-mark has been continuously used by the said W. A. Gaines & Company and its predecessors since the year A. D. 1835."

To say the least of it, these different statements

show some juggling with facts and disclose inconsistent positions.

The record does not show any written devolution of title or right of trade-mark passing from Gaines, Berry & Co. to W. A. Gaines & Company and from the latter to the complainant corporation. Be this as it may, no unprejudiced mind can read the evidence in this case without the impression that the conception of a trade-mark in the words "Crow" or "Old Crow" did not enter the mind of Gaines, Berry & Co. prior to 1870, and they may not under the issue presented by the pleadings lay any claim thereto anterior to 1867. It is to be conceded that after 1870, Gaines, Berry & Company and W. A. Gaines and their successors, W. A. Gaines & Company, built up a large, successful business in the manufacture of whiskey, which has extended throughout the country, and that their whiskey, under the designation of "Old Crow", attained wide celebrity. The question remains, however, to be answered, has the complainant maintained by proof the assertion that the defendants, or their predecessors in business, wrongfully invaded its exclusive right to the use of the words "Crow" or "Old Crow" in business?

The evidence, without contradiction, establishes the following facts: that as early as 1862, the firm of I. and L. M. Hellman, composed of Isaac Hellman and Louis M. Hellman, were engaged in the wholesale liquor business on Pine street in the City of St. Louis, Missouri; that as early as 1862 or 1863 on the whiskey barrels employed in their trade, they had a bird with wings spread, in imitation of a crow, burnt into the head of the barrel and the word "Crow" or the words "Old Crow" were burnt beneath this figure. This

fact is affirmed by the testimony of Mr. Herman A. Haeussler, an attorney at law of St. Louis, whose reputation for intelligence and integrity is such as to entitle it to full credence. The firm of lawyers with which he was connected, whose office was next door to the business house of the Hellmans, acted as counsel for I. and L. M. Hellman in the conduct of their business. Mr. Haeussler testified that as early as 1862-3 they had a brand of "Crow Whiskey;" that he saw the barrels on the sidewalk ready to ship with the figure of a crow either on the barrels or on the signs (and he thinks the barrels), with the word "Crow." The evidence further shows that as early as 1865 they had signs in frame prepared, displayed in the window of their storehouse, like Exhibit No. 6 (see opposite this page), large numbers of which were used in connection with their whiskey trade:

Some of the books of said firm kept at that time were in evidence and showed sales of whiskey sometimes designated as "Crow" and "J. W." or "J. C. Crow". That they used also the designative term: "Old Crow" appears in the testimony of several witnesses. Mr. Charropin of Covington, Louisiana, testified that he entered the employ of I. and L. M. Hellman about November, 1866, and continued therein until 1870; that he traveled first through Illinois and parts of Missouri, and afterward in the South as far as New Orleans and in Tennessee, Arkansas and Mississippi. He gave the names of parties to whom he had sold Hellman's whiskey, and deposed that he sold to customers "Old Crow" whiskey which the Hellmans handled, and that he remembered it was the brand used at the house at the time. Mr.

EXHIBIT 6.

CELEBRATED

945

Defendant's Exhibit No. 6.



CROW

BOURBON.

J. & L. M. HELLMAN
ST. LOUIS.



Schaeffer, of Yazoo City, Mississippi, testified that he had dealings with I. and L. M. Hellman in 1866, and probably the latter part of 1865, and that he purchased liquor from them under the name of "Crow" or "Old Crow".

"Q. Will you describe what marks, if any, these barrels bore?

"A. They had on one end of the barrel a bird with wings spread out burnt in the head of the barrel and the words 'Old Crow' were burnt under them; they were all burnt, not marked; burnt in the wood."

Mr. Heron, of Memphis, Tennessee, testified that he entered the employ of I. and L. M. Hellman, in September, 1865, and remained with the firm until 1882 or 1883, as assistant rectifier. He identified exhibit as similar to the one used when he went there.

"Q. Now, will you state, Mr. Heron, how frequently the firm sold whiskey as 'Old Crow' whiskey during the time you were in the employ of the firm?

A. Well, I couldn't say how often I sold it, but to the best of my knowledge, there was very seldom a month or week that some did not go out. Q. By whom was the 'Old Crow' sold by the firm made? A. It was blended right in the house. You could call it blending or compounding right in the house."

This condition continued up to 1867, during which the bill alleges the claimed trade-mark had not been appropriated by the complainant. In August, 1867, Isaac Hellman died. The business of this house has been continuously conducted in St. Louis, up to the time of this litigation, by the brother and their sons who succeeded thereto, doing business under the name of I. and L. M. Hellman, employing the same brands and designation in business. Their trade was

confined principally to states down the Mississippi River and Southwest. Several of the men who worked for this house between 1862 and 1870, as well as several of the traveling salesmen of the house, are living and gave their depositions in this case. Since 1867, this house has conducted its business as theretofore with no knowledge carried home to its members that the complainant, or its predecessors in business, were asserting any proprietary right to the use of the word "Crow" or "Old Crow" in trade. The evidence fails to show that the Hellmans, prior to this controversy, ever heard of Glenn's Creek, in Woodford County, Kentucky. The whiskey sold by them carried with it, plainly marked on the packages, the fact that it was the whiskey of I. and L. M. Hellman of St. Louis, Missouri, or the name of the firm at the time in business. There is not a particle of evidence in this record to warrant the imputation that at any time or place the defendants ever represented that their whiskey was manufactured on Glenn's Creek, or that it was the manufacture of the complainant. There is no evidence that any purchaser from them was ever deceived into the belief that he was obtaining from them whiskey manufactured by the Glenn's Creek monopoly. There is, therefore, no foundation in fact or law for the charge of unfair competition.

After alleging in the bill of complaint that by reason of the defendants' unfair competition the complainant has been damaged in the sum of \$5,000.00 and its vast business jeopardized and threatened with destruction by the defendants' competition, its counsel to impair the evidence that the Hellmans had sold whiskey as far back as 1863, under the name of

“Crow” and “Old Crow”, tacked course in argument by asserting that this use was so rare as to subject it to the maxim *de minimis lex non curat*. The right of the defendants to use in their trade the designative words “Old Crow” or “Crow” can not be measured by the extent to which they employed it, whether more or less frequent at times. It is sufficient to protect them from the charge of an unlawful invasion of the complainant’s claimed monopoly that they used in connection with their business as whiskey dealers the trade-name in question prior to any appropriation thereof by the complainant, and that they have so continued to use it. Neither can their right to use it, *ad libitum*, be destroyed by the overshadowing comparative amount of the complainant’s sales under the designation of “Old Crow” whiskey, nor by the asserted superiority of its product.

Passing by the criticism made by defendants’ counsel of the word “Old Crow” as a trade-mark, on the ground that in its origin it referred merely to the name of “Crow” as the compounder of that grade of whiskey, and that its later use was merely designative of the quality of the article, and, therefore, it might not constitute a technical trade-mark if the complainant employed the words “Old Crow” and “Crow” in its trade as designating the quality of the whiskey sold by it, the defendants are not guilty of an invasion of the asserted exclusive monopoly of the complainant.

The bill stigmatizes the defendants’ business as fraudulent in imposing upon the public a blended whiskey, impure and deleterious. And what it lacks in proof of this its counsel has undertaken to supply by invective and epithets.

The learned trial judge, from his opinion in the record, seemed impressed as to this charge of the bill by the opinion of the Kansas City Court of Appeals in the case of *W. A. Gaines & Company v. the E. Whyte Grocery, Fruit and Wine Co.* (107 Mo. App. 570). It is assigned for error that the Court admitted in evidence the entire record, including the voluminous evidence in the bill of exceptions in that case. In view of the conclusions reached by us on the merits, we may pass by this criticism with the observation, that while the evidence in that case could not be employed as proof of the matters in contestation in the case here under review against this appellant, who was not a party to that suit, it could be considered by the Chancellor for his information as to the scope of the decision in that case as a precedent. (*Liebig's Extract of Meat Co. v. Libbey et al.*, 103 Fed. 87-89; *N. Y. Filter Mfg. Co. v. Jackson*, 112 Fed. 678-68; *Liebig's Extract of Meat Co. v. Walker*, 115 Fed. 822-825; *American Bell Tel. Co. v. Wallace Electric Co.*, 37 Fed. 672; *Rose v. Fretz*, 98 Fed. 112; *Adams v. Tannage Patent Co.*, 81 Fed. 179.)

The evidence, especially on the part of the defendants, in the case under review is so materially different in character and effect from that in the case tried in the Jackson County Circuit Court, as also that of *Gaines & Co. v. Leslie*, 54 N. Y. Supp. 421, cited by complainant's counsel, as to render them of no controlling force on the facts involved in and the principles of law applicable to this case.

The only evidence touching the character of the whiskey sold by the Hellmans is, that it was blended whiskey—a mixture of so-called straight whiskey with refined spirits, from which the blenders claimed the

largest possible percentage of impurities were removed. Whether this made it better or worse than that manufactured by the complainant does not affect this case. No customer of the Hellmans is complaining, and the complainant has failed to show that the defendants palmed off their whiskey on anybody as that of the complainant's manufacture.

The complainant lays much stress upon the situs of its distillery on Glenn's Creek in Woodford County, Kentucky, as if there were some peculiar virtue in the air and water of that place adapted to the distillation of whiskey, which it had in some way wholly appropriated. The evidence does not show that Glenn's Creek in any way entered into the composition of the whiskey. The water used came from the springs some distance from the creek, in nowise different from other springs in the limestone region of the Bluegrass district of Kentucky. We fail to perceive the relation of all this to the claimed trademark.

As there was no secret about the process of distillation employed by James Crow, which the complainant assumes to follow, as "hand-made" whiskey (and there was some evidence that the complainant now employs machinery in some material respect in the process of manufacture), the use of which process is not secured to the complainant by any patent, and as the defendants have not claimed to use either Kentucky corn, water or air in the composition of their blended whiskey, and did not represent that it came from Glenn's Creek, all these matters are quite immaterial on the issue of unfair competition in trade.

After a careful consideration of the mass of relevant and irrelevant evidence in this record our con-

clusion is: (1) that inasmuch as the defendants' predecessors in business prior to the use or the adoption of the designative word "Crow" or the words "Old Crow" as a trade-mark, employed those words as descriptive terms in connection with their business as dealers in whiskey in St. Louis, Missouri; that said predecessors and the defendants so continued to use the same, to a limited extent, up to the time of the institution of this suit, in good faith, they are not guilty of infringing the complainant's claimed trade-mark; and, (2) that the defendants are not guilty of having engaged in unfair competition with the complainant in the prosecution of their business.

It results that the decree of the Circuit Court must be reversed, and the case remanded with direction to the Circuit Court to dismiss the bill of complaint.

II. FINAL DECREE ENTERED IN THE EIGHTH CIRCUIT JULY 10, 1908.

(W. A. Gaines & Co. v. Hellman, U. S. Circuit [now District] Court for the Eastern District of Missouri [Rec., p. 124].)

Now, on this day, this cause coming on again to be further heard and to be disposed of in conformity with the mandate of the United States Court of Appeals, heretofore received by this Court and filed herein on the 29th day of June, 1908, and it appearing to the Court that the appeal taken by the respondents from the interlocutory judgment and decree rendered and entered of record in this Court against the said respondents on the 24th day of June, 1907, and at the March Term, 1907, of this Court, to the United States Circuit Court of Appeals for the Eighth

Circuit, has been duly heard by the said Circuit Court of Appeals, upon the transcript of the record in said cause, brought into the said Circuit Court of Appeals on said appeal, and upon the argument of counsel on said transcript of record in said cause, and that upon consideration thereof it was ordered, adjudged and decreed by the said Circuit Court of Appeals that the said decree of this Court in this cause be reversed with costs, and that the respondents recover against the said W. A. Gaines and Company, a corporation, the sum of \$920.20 for their costs in this behalf expended and have execution therefor.

And it further appearing to the Court from the mandate of the said Circuit Court of Appeals that said cause was remanded to this Court with directions to dismiss the bill of complainant as of April 27th, 1908, and this Court was commanded that execution and further proceedings be had in this cause in conformity with the opinion and decree of the said Circuit Court of Appeals, also filed herein, as according to right and justice and the laws of the United States ought to be had, the said appeal notwithstanding.

Now, therefore, in conformity with and in obedience to the said mandate, it is considered, adjudged and decreed by the Court that the injunction [*be*] granted by this Court in and by said interlocutory decree, be, and the same is hereby dissolved and for naught held, and that the said interlocutory decree against the said respondents and in favor of the complainant, be and the same is now set aside, annulled and for naught held.

And it is further ordered, adjudged and decreed by the Court that the complainant's bill and supplemental bill be, and the same are hereby dismissed for

want of equity, and the said respondents recover of and against the complainant, W. A. Gaines and Company, a corporation, the said sum of \$920.20 adjudged in their favor by the said Circuit Court of Appeals, and that they also recover from said complainant all the costs of this Court taxable in their favor, or incurred, in their behalf, and in favor of their solicitors and counsel, and that they have execution therefor.

III. THE OPINION OF DISTRICT COURT (JUDGE EVANS) UPON FINAL HEARING.

(Instant case, *W. A. Gaines Co. v. Rock Spring Distilling Co.*, 202 Fed. 989 [Rec., p. 168]).

From time to time as questions arose during the progress of this case we expressed our views upon them in opinions then filed (Rec., pp. 127, 136 [179 Fed. 544], 143, 145). Those opinions, if it be necessary or desirable, can be referred to in connection with what we may now say without repeating them.

The complainant, a corporation, by its bill, alleges an infringement by the defendants of a certain trade-mark, which on the 20th day of July, 1909, had been admitted to registration in the office of the Commissioner of Patents under the provisions of the Act of February 20th, 1905. The trade-mark is familiarly known as Old Crow, and is described in the certificate of registration as being used upon "Straight Bourbon and Rye Whiskey".

Upon the allegations of the bill an injunction was prayed for, together with other relief.

On May 2nd, 1910, the Hellman Distilling Company came and tendered and asked leave to file a petition, in which it alleged that it was the trans-

force and successor of A. M. Hellman & Co., who long previously to the transfer to the petitioner had owned the trade-mark referred to in the bill of complaint; that the defendants, Rock Spring Distilling Co. and Silas Rosenfeld were petitioner's agents in Kentucky, and as such were using the trade-mark; that it had undertaken to defend them in such use, and thereupon prayed that it might be admitted as a defendant in the suit for the purpose of making such defense. The Court expressed then its opinion (179 Fed. 545), that the petitioner could not, in the face of complainant's opposition, be made a defendant, but that any estoppel by the former judgment referred to in the petition and presently to be described, would, under the facts therein stated, be available for the defendants.

Thereafter the defendants interposed a plea to the effect that long before the registration of the trade-mark by the complainant, the latter, on November 11th, 1904, had filed its bill of complaint in the Circuit Court of the United States for the Eastern District of Missouri, at St. Louis, against A. M. Hellman & Co., a firm composed of Abraham Hellman and Moritz Hellman, in which it alleged itself to be the owner and proprietor of the trade-mark Old Crow when used in connection with whiskey, and, charging that the defendants were infringing it, had sought an injunction against them to prevent such use; that both sides in that suit claimed ownership of the trade-mark Old Crow; that after the death of Abraham Hellman, his administrator, Max Kahn, was made a defendant, and the issues of fact were made up in that case in due course of pleading, and that it was finally brought to trial in that court, whose

judgment was rendered therein against said defendants, who were enjoined from using said trade-mark; that the defendants in said cause thereupon prosecuted an appeal from said judgment to the Circuit Court of Appeals for the Eighth Circuit, which Court, after full consideration and argument, reversed, on February 27th, 1908, the decree of the Circuit Court and remanded the case with directions to the latter court to dismiss the action for want of equity, and that the latter Court had, by its decree, entered on July 10th, 1908, done as directed by the Circuit Court of Appeals. The defendants pleaded the final judgment in that cause in bar of the present action. When the plea was set down for argument and heard, the Court, in an opinion and judgment thereon, on May 2nd, 1910, held that the plea was sufficient in law. Instead of dismissing the bill the Court gave leave to the complainant to take issue on the plea, which was done. The Court also, in its opinion filed February 27th, 1912, stated its reasons for giving the defendants leave to answer such part of the complainant's bill as were not covered by the plea. This was done upon authorities cited in the opinion last referred to. The defendants, in the answer thus allowed to be filed, assailed the registration of the trade-mark upon various grounds. At the final hearing the issues thus raised, alike upon the plea and upon the answer, were heard and argued. As already stated, it will serve little or no purpose to restate the grounds of our former rulings, as the several opinions heretofore filed in the case do that with a clearness quite sufficient to indicate the bases of our several rulings, but a brief summary of the essential facts as we find them may not be amiss in disposing of the plea.

Many years ago, probably in 1835, one James Crow, in Woodford County, Kentucky, began the use of the trade-mark Crow or Old Crow in connection with bourbon whiskey of his own make. He continued the use of his trade-mark until his death in 1855, at which time its use was discontinued. In 1867 one Mitchell, a former employe of Crow's, in the same or in a contiguous locality in Kentucky, began the use of the same trade-mark on whiskey. He did this on his own initiative and without having in any way inherited or purchased the right to use the trade-mark from Crow or his heirs or representatives. It is, therefore, only from Mitchell's use of the trade-mark, begun in 1867, that complainant's claim can come. But four years previously to the beginning of its use by Mitchell, namely, in 1863, the use of a similar trade-mark was begun in reference to whiskey in St. Louis, Mo., by persons who have transmitted their rights to the defendants. It was out of this general state of fact that the controversy arose which was adjudicated finally in the Circuit Court of the United States for the Eastern District of Missouri. Whatever may have been the merits of the controversy which that Court determined in that case we are not to inquire, nor are we to inquire into the merits of the whiskey made or sold by either party thereto. The question we are to determine on this phase of the case is whether, in its essential elements, the title adjudicated in that case was the same as the one again attempted to be litigated in this action. When we attentively examine the record, the pleadings and the final decree in the former cause we can not doubt that the essential question in dispute there was the same as that involved here. This being so, and the defendants and

the Hellman Distilling Company having in due course succeeded to the rights of A. M. Hellman & Co., we hold that the plea has been established, and that it is a bar to the relief now sought as to the infringement of the alleged trade-mark.

But the defendants in that cause were denied an injunction upon their cross-bill asking that relief, and it is insisted that that shows that neither themselves nor their successors have any rights in the trade-mark inasmuch as the record shows that they dismissed their cross-appeal from that part of the judgment in that case. We have not been able to see how that affects the question here involved, because, whatever effect may be given the denial to defendants of the relief they sought in that action, it is certain that in the most impressive way it was adjudged that the complainant had no equity to the relief it there prayed. At most it might be said that the result of that litigation was to leave both parties to it, each of whom had used the trade-mark for about forty years, free to use the trade-mark as each pleased in connection with whiskey. Indeed, it might probably be that the proper conclusion is that the effect would be to open up the use of the trade-mark in connection with whiskey to the public generally, because no one party had acquired a right to its exclusive use since Crow's death in 1855. Which of the views thus indicated be right is immaterial. They are only suggested as illustrations.

Again it is insisted by the complainant that it uses the trade-mark in connection with "straight" whiskey, while the defendants have heretofore used it in connection with "blends". The bill of complaint, as we shall see, charges a broader use. The general

doctrine, we apprehend, is that a trade-mark used in connection with any class of things must apply to all the various species of grades of that class. It would be an endless task to differentiate the various grades or qualities of whiskey or any other article of merchandise and say to which one or more of them a trade-mark was appropriated or applicable. Especially, we apprehend, would this be so in reference to whiskey, which has as great a variety of grades (extending from the very best to the very worst) as probably any article in commerce. Some of the authorities illustrating this view are *Layton Pure Food Co. v. Church & Dwight Co.*, 182 Fed. 35, 38, and authorities therein cited, and *Collins Co. v. Oliver Ames & Sons Corporation*, 18 Fed. 561, 570.

Another question of vital importance is to be considered. It is whether the registration obtained by the complainant is effective and available to overthrow a judgment finally, and under the direction of the Circuit Court of Appeals, rendered by the Circuit Court previous to the registration of the trade-mark. In an opinion delivered on February 27th, 1912, we endeavored to clearly indicate our views on this phase of the case and our reasons for supposing that it was never in the contemplation of Congress that such a registration, especially if obtained *ex parte*, should invalidate the solemn judgment of a court having jurisdiction. The controlling facts in this connection are that on February 27th, 1908, the opinion of the Circuit Court of Appeals was rendered in the former suit then styled *Kahn, administrator, and others v. W. A. Gaines & Co.*, 161 Fed. 495. After an application for a stay of the mandate was refused on July 18th, 1908, the Supreme Court, on October 19th, 1908,

denied a petition for a writ of *certiorari*. On February 13th, 1909, Edson Bradley, describing himself as vice-president of W. A. Gaines & Co., was sworn to a statement intended to be filed as the basis of an application for the registration of the trade-mark Old Crow on straight bourbon and rye whiskey. This statement and the accompanying petition were filed in the Patent Office on February 26th, 1909, about one year after the decision by the Circuit Court of Appeals. This latter circumstance may be most significant in connection with the fact that in the papers just referred to, and as amended later, the vice-president stated under oath that W. A. Gaines & Company in the County of Franklin and State of Kentucky "has adopted for its use a trade-mark which consists of the words Old Crow, and that said trade-mark has been used in the business of ourselves and our predecessors since, to wit, January 1, 1835. The class of merchandise to which the trade-mark is appropriated is class 49, distilled alcoholic liquors, and the particular description of goods in said class upon which the said trade-mark is used is straight bourbon and rye whiskey." The vice-president also swore "that no other person, firm, corporation or association, to the best of his knowledge and belief, has the right to use said trade-mark, either in the identical form or in any such near resemblance thereto as might be calculated to deceive." As we have seen, it is altogether incorrect to say that the complainant and its predecessors had used that trade-mark since January 1, 1835, because the complainant and its predecessors did not begin its use until 1867, nor then, in any legal sense as the successors of James Crow. Besides, from the testimony and developments

in the suit in St. Louis the complainant certainly knew that its opponents in that suit had been adjudged the right to use and that they in fact had used the trade-mark Old Crow ever since 1863 though probably not as energetically or as extensively as complainant. Yet upon these statements the registration was obtained.

The application for the registration was dealt with in the Patent Office in an entirely *ex parte* way, and though there was a formal publication on May 18th, 1909, in the Official Gazette of the Patent Office of the notice required by Section 6 of the Act of February 20th, 1905, the record in no way indicates that W. A. Gaines & Company caused notice of the application to be actually given to any of those who had been defendants in the previous suit, nor that they otherwise had such notice. There is no indication in the record that those defendants ever knew of the application until long after the registration had been made on July 20th, 1909. While under the Act of 1905 the registration, even when thus made, affords a *prima facie* presumption of ownership of the trade-mark in complainant, is not that presumption entirely overcome by the judgment which had been rendered against the complainant in the suit in St. Louis, long before the application was made, and of which litigation and judgment no information was given by the complainant to the Patent Office? To ask the question is to answer it in the negative unless such *ex parte* registration, obtained under such circumstances, and in the way indicated, is to override the previous judgment directed by the Circuit Court of Appeals in a litigation between the opposing claimants of that trade-mark and in which all were fully

heard. That such a result is impossible is, in our view, too plain for argument. Nor can we conceive that Congress ever contemplated such a result when enacting the legislation of 1905.

Notwithstanding all this, it is insisted that there is a question of unfair trade to be considered, and we find that in stating its causes of action that complainant, in its bill filed the next day succeeding that of the registration, while alleging an infringement of its trade-mark, also says "that well knowing the premises and with full knowledge of this complainant's rights above recited, the respondents above named, without knowledge or consent, and against the will of the complainant, did on the twenty-first day of July, A. D. 1909, and then continuously from day to day until the time of the filing of this bill of complaint, in violation of the complainant's rights in and to said trade-mark consisting of the words 'Old Crow' and in invasion of the complainant's rights under its said registration and in infringement of your orator's said registered trade-mark, and in fraud against this complainant and against the public, did make, or cause to be made, and sell or cause to be sold, in Owensboro, in the County of Daviess, State of Kentucky, a certain spurious straight bourbon whiskey not the product of this complainant's 'Old Crow' distillery, or distilled by this complainant, or licensed to be distilled by this complainant, and that they, the said respondents, have marked or branded the same with the words 'Celebrated Old Crow whiskey Bottles in Bond' and have caused the same to be bottled in bond, and have applied to the labels thereon the words 'Old Crow' in script type;

and have caused the same to be sold and transported in commerce among the several States of America; that a specimen of the packages so made and sold by respondents is exhibited with this bill and is filed herewith as 'Exhibit B' accompanying the bill."

The bill also stated "that the whiskey so dealt in by the respondents and marked and branded with the words 'Old Crow' was so marked and branded for the purpose and with the intent to mislead and deceive the public and consumers of whiskey distilled by the complainant and bottled in bond by the complainant, and the public and consumers of whiskey have, by the said acts of the respondents, been led into purchasing the respondents' whiskey under the false belief that it was the whiskey of the complainant, and that by means of the said fraud and imposition upon the public by means of and through the instrumentality of their said unlawful appropriation and infringement of your orator's said registered trade-mark, the respondents have sold very large quantities of their whiskey so falsely marked and branded, all of which wrongful acts have resulted in injury to the complainant's business and the good will thereof, and were wantonly, willfully, deliberately and maliciously done by the respondents to complainant's damage in the sum of twenty thousand dollars (\$20,000.00)."

If in addition to an action for the infringement of a registered trade-mark the bill shows a claim for damages for unfair trade in blended whiskies, it is probably multifarious. However, the defendants have not insisted upon that objection, and the Court will not at this stage treat the bill as open to it, but will dispose of the question of unfair trade upon the entire record before it. Treating it thus, we think the record clearly

shows that the defendants, in using the trade-mark Old Crow, whether in connection with a picture of a raven, as was usual, or not, used what they had a clear right to use. This being so, there could be no deception in doing that thing. This, however, is what is claimed to constitute unfair competition with complainant, and the testimony clearly shows that in other respects the defendants' labels, brands and other marks are altogether different from complainant's and of themselves show that complainant did not make the whiskey sold under defendants' brands.

So that at least this phase of the case seems to resolve itself into a complaint that the defendants use the words Old Crow on their labels, brands and other marks and probably in their advertising matter. After much consideration we have concluded that the defendants have acted within their rights, and have attempted to sell their own whiskey as being of their own make, and not as complainant's, each using the words Old Crow, as they had the right to do, and as the predecessors of each had done for over forty-five years. Besides, while at the argument it was much asserted that complainant's whiskey was "straight" and defendants' a "blend", the testimony indubitably shows that much of complainant's Old Crow whiskeys are "blends" and so labeled under the pure food laws. As "blends" they are not within the registered trade-mark, which on its face refers only to "straight" rye and bourbon whiskey. The testimony also demonstrates that much of the defendants' whiskey is bottled in bond, and is, therefore, necessarily "straight", inasmuch as under the statute nothing but "straight" whiskey is permitted to be so bottled. So that as to "straight" whiskey the complainant must be regarded

as suing only on its trade-mark, while, as to "blends" as well as "straight", it is suing for unfair competition in trade.

And in this connection it may be stated as matter almost of common knowledge, first, that the purchaser of drinks over the counter of a bar-room seldom knows or is told what he is getting, or if he is told it soon becomes a matter of indifference to him, and, second, that the wholesale or retail dealer who buys from a manufacturer generally knows exactly from whom he purchases and the character of spirits he gets. The danger to the manufacturer is, therefore, not great. The same may be said of a wholesale dealer who sells to a retail dealer.

It results that the decree now must be, first, that the plea of the former adjudication is sustained; second, that the registration of the trade-mark under which relief is claimed in this action was insufficient to invalidate the judgment in the prior suit; third, that the charge of unfair trade has not been established, and, fourth, that the action be dismissed with costs to the defendants.

A decree accordingly will be entered.

IV. THE OPINION OF THE SIXTH CIRCUIT COURT OF APPEALS IN THE INSTANT CASE.

(*W. A. Gaines & Co. v. Rock Spring Distilling Co.*, 226 Fed. 531, 141 C. C. A. 287; Rec., p. 1013.)

Appellant, Gaines & Co., is a Kentucky corporation. Appellee, Rock Spring Distilling Co., is also a Kentucky corporation, and appellee, Rosenfield, is the licensee and operator of its distillery, and is a citizen of Kentucky. The appellant will be referred to as plaintiff, the appellees as defendants. The litigation

involves a controversy over the words "Crow" or "Old Crow" as a trade-mark for whiskey. Plaintiff filed its bill in the court below alleging its trade-mark right in these words, and claiming that defendants were infringing. The answer denied the existence of the right claimed, and set up as a bar a decree rendered against plaintiff in the United States District Court at St. Louis, under mandate of the Circuit Court of Appeals for the Eighth Circuit. The answer claimed privity between the Hellmans—the defendants in that case—and these defendants. A plea of former adjudication was held good (179 Fed. 544); after replication filed, proofs were taken, including, by stipulation, all proofs in the Hellman case; and, on final hearing, the bill was dismissed (202 Fed. 989).

From the pleadings and proofs, these facts appear, either without dispute or beyond fair question: Woodford County, Kentucky, is not far from Bourbon County, and is in the heart of the limestone formation, "bluegrass" country. This general region has always been and is the center of the distilling business for the best known Kentucky whiskies. The water from the limestone springs—whether or not it is really better than other waters for making whiskey—in the early days was thought to be of unique purity and essential to the highest grade of the distilled product. Three brands, among those most advertised and so most widely known now for a generation, are made within a few miles of each other, in Woodford County, along Glenn's Creek,— "Taylor", "Pepper" and "Crow". For a long period before 1855, James Crow was a practical distiller in the Glenn's Creek neighborhood. He did not have a

distillery of his own, but was employed by various distillers—for some years before Crow's death in 1855, by Oscar Pepper (except for the last year or two, and even then Crow retained some supervision for Pepper). He was reputed to be the first man in Kentucky to make a sour mash whiskey, and he had a high reputation as a skillful distiller. During his years at the Pepper distillery, he made a large quantity of whiskey; this whiskey came to be called by his name as "Crow" or, as it aged, "Old Crow" whiskey, and it acquired, by that designation, a reputation for good quality. At his death, a considerable quantity was in existence, both where it had been scattered upon the market and where it was aging in the distiller's possession. During the succeeding years, it continued to have a market reputation and represent a high standard, under one or the other of these names. After Crow's death, Oscar Pepper, at the same distillery and with the same formula, continued to make a whiskey which some witnesses say he continued to call "Crow". He died about 1865. In 1866 or 1867, the Pepper distillery was bought by Gaines, Berry & Co. They employed, as distiller, a man who had been a foreman for Crow and who knew his formula and methods, and their product they called "Crow" or "Old Crow". They were succeeded in the business by W. A. Gaines & Co., first a partnership and then the plaintiff corporation. Since such adoption by Gaines, Berry & Co., these words have been continually used by plaintiff and its predecessors as a trade-mark; vast sums of money have been expended on advertising the brand and the trade-mark; and the brand, under that name, has, for many years, been one of the best known in the country. All the

other distilleries where Crow worked, and which so might have had special rights in the name, have now, for sixty years or more, not questioned the exclusive rights of the Pepper distillery, and its successor; and while, doubtless in the seventies, and perhaps in the eighties, there were some instances of trespassing which were not attacked, plaintiff's right was even then generally observed, and now, for 25 or 30 years, has not been seriously challenged—save for the Hellman use.

The witness Mida, who conducts the Bureau of Registration for brands and trade-marks regarded as authoritative by all the liquor trade, and who has published, since 1878, "Mida's Criterion," the recognized price list of "all brands and all ages" of liquor, testifies that "Old Crow" has always and everywhere been considered the Gaines brand, and is universally understood to refer to whiskey made at the Gaines Old Crow distillery. This testimony is undisputed—excepting the Hellman use, if that is an exception.

It further appears that Gaines & Co., in 1882, registered, as a trade-mark, "Old Crow," alleging its use as a trade-mark "since 1870". Again, in 1904, plaintiff duly registered as a trade-mark the words "Old Crow", alleging its continuous use, by plaintiff and its predecessors, since 1835. Again, in 1909, and under the Act of 1905, plaintiff duly registered the same trade-mark, alleging that it had been used since 1835; that the class of merchandise to which it was appropriated was "distilled alcoholic liquors"; and that the particular description of goods comprised in the class upon which the trade-mark was used is "Straight Bourbon and Rye Whiskey". This last

registration is the only one alleged in the bill in this cause; and upon it jurisdiction depends, since there is no diverse citizenship.

Since it is admitted that defendants are using the name "Celebrated Old Crow" upon whiskey not made by plaintiff, the right to an injunction would be clear, except for the defense and counter-claims made in the Hellman case, taking effect here either by virtue of the inherent force of the facts there and here appearing, or through the operation of the rule of adjudication. In that case, the defendants Hellman filed a cross-bill alleging their own prior and superior right to the trade-mark "Old Crow", and asking for appropriate relief. By the proofs, it appeared that prior to 1867, and perhaps as early as 1863, the Hellmans had made some shipments of whiskey which they invoiced under the name of "Crow", and which were contained in barrels stamped with the picture of a crow, and with the words "P. Crow" or "J. W. Crow"; that they had distributed to their customers signs advertising "Celebrated Old Crow Bourbon"; that they were not distillers, but were wholesalers or jobbers; and that the whiskey which they sold under that name had no connection with the Kentucky "Old Crow", but was a "blend" and made by them on their own premises, while the plaintiff's product was a straight whiskey, and its trade-mark was never applied with its approval, to anything else than its product. Upon this general situation, the District Court, at St. Louis, found the facts and the law in plaintiff's favor, awarded to it the usual injunctive relief and dismissed the cross-bill of defendants Hellman (*Gaines v. Kahn*, 155 Fed. 639). Both parties appealed; but the Hellmans dropped their appeal from

the dismissal of their cross-bill, whereby, whatever adjudication was carried by such dismissal became final. The opinion of the Court of Appeals is reported in *Kahn v. Gaines*, 161 Fed. 495. Its precise effect, we must hereafter consider. It directed that the decree be reversed and that plaintiff's bill be dismissed; and this was done.

DENISON, Circuit Judge:

1. The first objection which plaintiff's alleged trademark rights must meet is that the words are descriptive, and so incapable of becoming a true trade-mark. If nothing were involved except the effect of the 1909 registration, this objection might be passed without decision, since the application for registration indicates use for more than ten years before 1905, thus perfecting rights which might have been imperfect when the use began, and would have so continued except for the statute (*Dauids Co. v. Dauids*, 233 U. S. 461; *Nashville Co. v. Coca Cola Co.*, 215 Fed. 527, 529); but it is impossible wholly to separate the force of this registration from the underlying broader question, because rights prior to this registration are indirectly involved.

During the lifetime of the distiller Crow, it seems clear enough that to call his product by his name could not amount to the adoption of a valid trade-mark; the use of the name was descriptive rather than arbitrary, and a manufacturer can not thus exclude all others. Such use might give right to *quasi*-exclusive rights on the secondary meaning theory; but this theory is not alleged. The same situation, apparently, must continue after Crow's death, and in reference to whiskey which had been manufactured by

him during his life. The necessary meaning of the words, as merely describing the article or stating the name of the maker, would seem to merge and destroy any otherwise possible implication that they were an arbitrary symbol of origin. As the making of whiskey after Crow's death, but by the same formula and methods, was continued by Pepper or by Gaines, and as it continued to be called "Old Crow", this appellation would gradually change its character. It at once ceased truly to personify the maker; it did not immediately become merely arbitrary. As the trade lost the sense of Crow's personality, as he became less real and more traditional, as no one else of the same name challenged the growing right, and as with Crow's personality fading there must also fade the vague descriptive effect of using his formula, the words "Old Crow" would become less descriptive and more arbitrary; and after a period of such unchallenged use, they would become dominantly and substantially a mere symbol of origin. Whether this right of exclusive appropriation as a trade-mark had matured in 1866 or 1867, when Gaines, Berry & Co. began the use, or matured in 1870, the date named in their first trade-mark registration, or matured at some other date, is not now material; the facts seem to show an unbroken development of the type which the courts had recognized but which had not been effectuated by statute until the law of 1905; words which were at first essentially incapable of exclusive appropriation were continually used as descriptive by the only one who could truthfully make such use, until, by change of circumstances and by long acquiescence, they had come to indicate, and indicate only, a particular product of a particular manufac-

turer. It might be otherwise, if the words had originally been more purely descriptive of quality or method; and it may be that some person named Crow would even yet have a measure of right to call his product "Crow". We do not meet either of these questions; and, in what has been said regarding the capability of the name for exclusive appropriation, we have, for the time being, disregarded whatever force the St. Louis use by Hellman may have.

2. When we consider the claim that the Hellman decree is a bar to any relief in this suit, we first meet the objection that there is no privity of parties. We must think that privity sufficiently appears. The parties defendant in that case, at the time of its commencement, had been the two Hellmans, who were partners. Pending the suit, one partner died and his administrator, Kahn, was substituted. Later, but still pending the suit, the entire business of the Hellman Bros. was transferred to the just organized corporation, the Hellman Distilling Company, and, by supplemental bill, this corporation was made defendant. The corporation was, therefore, a party to the suit at the time of the final decree. During the existence of the partnership of Hellman Bros., it had leased the distillery of the Rock Spring Distilling Company, near Owensboro, Kentucky, and, as lessee, it had manufactured whiskey there in 1904. The Hellman Distilling Company, as such lessee, continued such manufacturing in 1905, 1906 and 1907. In 1909, all this remained in bond in the distillery warehouse. In 1909, and after the final decree in the Missouri case, the Hellman Distilling Company contracted with the Rock Spring Company, and with Rosenfeld, as its lessee, for the further manufacture of whiskey, and

for the bottling in bond of the 1904 stock, and for the use upon such bottles of the brand or label "Hellman's Celebrated Old Crow". The Hellman Company gave to defendants a bond of indemnity to protect them against plaintiff's claims; in using this brand or label, defendants are acting for and in behalf of the Hellman Distilling Company; and the right of that company to use this brand on this article is the very thing in controversy. The former decree must be given the same force and effect as if the Hellman Distilling Company were the nominal, as it is the real, defendant here (*Kesler v. Eldred*, 206 U. S. 285).

3. Plaintiff next urges, by way of escape from the claimed force of the Hellman decree, and even if that decree is to be considered as an adjudication that the plaintiff had no lawful title to the trade-mark, yet, that since the only use there involved was upon a blended whiskey while the use here involved is upon a straight whiskey, a judgment that plaintiff had no trade-mark valid against a blended whiskey would not be a judgment that plaintiff had no trade-mark valid for straight whiskey. Disregarding, for the present, such limitations as for the purposes of this suit must be thought to have been imposed on plaintiff's rights by the peculiar form of the 1909 registration, and with reference only to the general question and the general rule, we can not be satisfied with the theory which would thus interpret and then limit the effect of the Hellman decree. The general rule is clear that a common-law trade-mark for one article extends to another article of the same descriptive properties; the difficulties come in applying this limitation, "of the same descriptive prop-

erties". The distinctions between a straight whiskey and a blended whiskey have given rise to much controversy in other legal fields, but it seems to us clear that whatever the extended classifications and subclassifications of the Patent Office practice may contemplate, neither the common-law nor the registration statute can intend such confusion as must result from recognizing the same trade-mark as belonging to different people for different kinds of the same article. Established trade-marks directly indicate origin, but if they have any value, it is because they indirectly indicate kind and quality; and to say that the seller of a blended whiskey might properly put upon it a mark which was known to stand for a straight whiskey, or *vice versa*, would be to say that he might deceive the public not only as to the origin, but also as to the nature and quality of the article. The decided cases do not permit a trade-mark like this to be thus divided as to its subject matter,* and we must think that whatever was adjudicated regarding plaintiff's title to its trade-mark applies to its use on both kinds of whiskey.

4. It is next urged that the Eighth Circuit decree may be reconciled with granting the relief now sought, and upon the theory that trade-mark rights may be limited in territory, and that plaintiff might have the right to this trade-mark for whiskies throughout the country generally, while the Hellmans might have an exclusive right to the same words as a trade-mark

*Coffee and cocoa—Court of Appeals, D. of C.—*Baker v. Hanson*, 138 O. G. 770; toilet brushes and tooth brushes—C. C. A. 2—*Florence Co. v. Dowd*, 178 Fed. 73; soda and baking powder—C. C. A. 8—*Layton Co. v. Church*, 182 Fed. 35; axes and shovels—*Collins v. Ames Co.*—Mr. Justice Blatchford—18 Fed. 561; tobacco and cigarettes—*American Co. v. Polacsek* (Coxe, C. J.)—170 Fed. 117.

for the same article in St. Louis and the Southwest, thus being given the field which they claimed they had first exploited and reduced to possession. This suggestion presents two conflicting theories of trade-mark origin and right—and we speak now only of marks which are so-called “technical” trade-marks. One theory is that the right arises from adoption—from a kind of creation or discovery followed by appropriation. Whether the right is perfect at the instant of adoption or whether there first must be sufficient use upon the goods to create for the mark a meaning among that part of the public which begins to purchase, is a detail which would not usually be important. According to this theory, if the right is once acquired by prior adoption, it is, by its very nature, exclusive of all later, similar rights which might otherwise be acquired by similar adoption; and from that theory it would seem to follow that one who first adopts the mark and applies it to his goods in interstate commerce, and who extends his business into new localities, until, in regular course, his business may cover the country, may prevent the use of the mark by another later user, even though that other has adopted the mark in good faith, and, in his particular field, has given it identity with his goods. How much diligence on this theory the first user must employ in extending his business to get the full benefit of his initial right need not now be considered. The other theory is that no right is perfected until the mark has been used to such an extent that it has come to have a meaning to the particular purchasing public as to which a controversy arises, and that the duty of courts of equity to enforce such rights depends essentially upon the duty

of protecting this public against being misled. From this theory, it will follow, or it may follow, that the later adopter, who has brought it about in a given locality that the mark indicates to the public that the goods are of his manufacture, may thereby himself acquire a trade-mark right or its equivalent, affirmatively enforceable in that locality and among that public, even against the first proprietor.

We do not find it necessary to consider or to attempt to decide the question so presented. For the purposes of this case, and without intimating any opinion, we give the first appropriator the benefit of the doubt and assume that his title is *prima facie* country-wide and exclusive against all others, and that as against all who have no special and superior equity, he is entitled to carry his trade into the new territory and there to enforce his exclusive right. However, the existence of this general or *prima facie* exclusive right is not inconsistent with an inability to enforce it against some persons and under some circumstances. Instances may arise where the affirmative conduct or the laches of the first appropriator, and with reference to what he was at first entitled to call an infringement, has been such that on the principles of estoppel or the rule of laches a court of equity can not tolerate that he should enforce against the later user the right which might have been originally perfect. This subject is more fully discussed and the reasons which lead us to this conclusion pointed out, with some reference to the decided cases, in our opinion in the Rectanus case, this day decided.

Under these considerations and upon reference to the pleadings and the proofs in the Hellman case, we conclude that the latter case is of the class where the

refusal to give an injunction to the first appropriator of the mark may be justified upon the ground of his laches or estoppel; and so this ground of support must be considered in determining what is the true basis of that decree.

5. Is the Eighth Circuit decree a judgment that the trade-mark, in its general, *prima facie*, affirmative aspect, belonged to the Hellmans by prior appropriation? This is the interpretation claimed by defendants. The language in the body of the Circuit Court of Appeals' opinion is consistent with that interpretation, but the last paragraph indicates that the two judges (only two sitting) did not unite in putting the decision on this ground. When we turn to the record for further light, we find, first, that the defendants' cross-bill claiming the trade-mark ownership was dismissed, and that the dismissal became final. If it had been even seriously contended by defendants that their early use of the words was effective to vest a trade-mark right therein, surely there would not have been acquiescence in the dismissal of the cross-bill. It was apparent, then as now, that affirmative title to the trade-mark would have been of great value to defendants, if they could maintain that position. We find, second, that there was in the record practically nothing indicating that the Hellmans ever pretended to adopt or claim these words as their trade-mark. They stamped some barrels with the words "P. Crow" or "J. W. Crow"; but no person of this surname had ever been connected with the Hellmans. The Crow or Old Crow which, in 1863, had been manufactured in Kentucky for twenty years or more, was at least considerably known on the market. No reason has ever been suggested in this

litigation, and we can think of none, why they should put this name on their barrels, unless they intended to indicate that the whiskey was that made by Crow of Kentucky. Unless the selection of this name meant that, it meant nothing. Witnesses for the defense frankly stated that in those years it was nothing unusual for jobbers or blenders of whiskey to use well-known brands belonging to others, and that if the initial of a proper name was changed, this was thought sufficient in morals to remove any objection to the appropriation. This may be the genesis of the otherwise unexplained use of "P." and "J. W." The Hellmans also used advertising signs, "Celebrated Old Crow Bourbon". From the record, we must doubt whether these signs antedated 1870. But if they did reach back to 1863, and if they referred to the blend or mixture which the Hellmans produced, it was neither "Celebrated", nor "Old", nor "Crow", nor, unless by chance, "Bourbon".² It was made by mixing colors and flavors with neutral spirits or high wines, or, sometimes, straight whiskey; but, if the latter, it was whatever they happened to have on hand. Defendants' witness says, "any brand would do". Records which seem to be complete show that during the seven years from 1863 to 1870, the Hellmans sold, of this "Crow" whiskey, an average of less than eight barrels per year.

In considering whether their use was of a trade-mark character, the peculiar nature of their business

1.—One of the stencils was "J. Crow-Bourbon-Paris, Ky."—a plain declaration that "Crow" was a maker's name, and not a Hellman trade-mark; and as there never was any "Crow" in "Paris, Ky.", the intent seems clear enough.

2.—Assuming that, at that date, "Bourbon" fairly meant a corn whiskey from somewhere in Kentucky, even if not from Bourbon County.

and their markings must not be overlooked. The brands or marks on whiskey are usually those of the original manufacturer. The dealer or jobber may handle many well-known brands and may mark his own name upon the packages or upon the advertisements, but this does not indicate that he claims the brands as his, or that he is acquiring a trade-mark right therein. While the stencils on the barrel and the glass signs carried the name "Hellman & Co.", they did not say "manufactured by", or that Hellman & Co. were manufacturers or distillers, nor were they in any way inconsistent with mere sale by Hellman as jobber of a well-known brand made by some one else.

The thus described nature and character of the Hellman early use might not always be thought sufficient to initiate and support even a defensive right; but they were so regarded in the former decree, and it is immaterial whether we would independently reach that conclusion. It did there appear that the Hellman use thus began and continued for seven years before 1870, or four years before 1867—the earliest date to which, under the pleadings, plaintiff could then resort—and that after 1870 it continued, increasing somewhat, although remaining comparatively small, and continuing without challenge from plaintiff until 1904. It may well be that, even if plaintiff did not know of this use and acquiesce, it was legally chargeable with such knowledge and acquiescence for many years, and that in 1904 the use would have matured into a possession of which a court of equity would not deprive defendant. At any rate, we think that is the theory upon which the former decree should be considered to

stand; and, accordingly, it adjudicates such defensive right and nothing more. As interpreted by Judge Lacombe in the Baltimore Club case (*Carroll v. McIlvaine*—C. C. A. 2—183 Fed. 22, at p. 28), this right does not go beyond what has actually been “reduced to possession” by defendant, and does not extend to any whiskey not mixed or blended, so as to be of the same general type as that which defendants had been making, or to trade or territory which they were not selling when that bill was filed. Such difficulties as there may be in drawing the exact line of its effect are not here involved, because the infringement here sought to be enjoined is in another locality and of another character. This limitation—to blended whiskey as distinguished from straight—thus imposed on defendants, is not inconsistent with our earlier holding that a trade-mark can not be so divided. This limitation is not of the trade-mark itself, but of the fraction thereof which has been lost.

6. The validity of plaintiff's registration under the Act of 1905 is attacked upon two grounds: first, that the registration was forbidden by Sec. 5, because the mark was identical with a “known trade-mark owned and in use by another and appropriated to merchandise of the same descriptive properties”, viz, the Hellman trade-mark; and, second, that it would be invalid under that provision of Sec. 21 which relates to certificates of registration fraudulently obtained.

We pass by the plaintiff's contention that the validity of registration can not be collaterally attacked, but must be directly reached under the provisions of Sec. 13, which provides for the cancellation of the certificate if it is made to appear that the registration

was unlawful; and we do so because we conclude that the registration of a word capable of exclusive appropriation has no effect upon the substantive rights of the parties, excepting its evidential force to make a *prima facie* case of title. We find nothing in the act purporting to cut off or impair any substantive defense which would have been open to the defendant if there had been no registration—except in so far as it perhaps may affect the character of registrant's title to a descriptive word of a secondary meaning (*Nashville Co. v. Coca Cola Co.*, 215 Fed. 527, 529), and this effect is not now involved. If, then, the law does not otherwise indicate the intention to cut off or embarrass ordinary defenses by one who has not been heard in the registration proceedings, that intention can not be inferred merely from the insertion of a provision by which a hostile party can secure the cancellation of a certificate and so destroy even its evidential force and its effect upon questions of jurisdiction as between different courts.

The first objection is that because the trade-mark "Old Crow" belonged to the Hellmans for use upon blended whiskey and because this is an article of the same descriptive qualities as plaintiff's straight whiskey, the registration was forbidden. This objection must fall, when it is found, as we have held, that upon the basis of the former decree the adjudication does not establish the ownership of the trade-mark by the Hellmans, but only a defensive right sufficient to protect them against the remedy then sought, and that if we go behind the adjudication and into the facts, the Hellman right is not enlarged.

It is next said that the registration was "fraudulently obtained" because, before the application was

made, the Eighth Circuit litigation had been finished, and yet the application falsely stated two things, the untruth of which had then been judicially established (1) that the trade-mark had been continuously in use by registrant and its predecessors since 1835; (2) that no other person had the right to use the mark.

The statement that the trade-mark had been in use since 1835 is not shown to be untrue to such extent and with such certainty as would be necessary to fix a fraudulent character on the application—within the meaning of fraudulent, as used in this connection. The proof does not carry the use of the word back to a definite beginning. At Crow's death, in 1855, the name had been long used. No one undertakes to say how long. It was not important for plaintiff to prove that the use did extend back of, say 1850, and defendant did not undertake to prove that the use did not go as far as 1835. The period between 1835 and 1850 was not important either for the purpose of registration or for the purpose of this suit. It is true that the use was of a character analogous to a descriptive use rather than a strictly trade-mark use for a period which did not expire until an indefinite date, perhaps 1870, perhaps earlier; but this fact, with these surroundings, is plainly insufficient to make "fraudulent" the statement that the trade-mark had been continuously used since an earlier period.

The application says "that no other person * * * has the right to use the trade-mark". It had then been decided that as against plaintiff's claimed exclusive right, the Hellmans could continue to use the words as they had been doing, viz, in their trade and territory and upon their blended product. The registrant thought to avoid this apparent conflict by lim-

iting the registration to straight whiskey only, and undoubtedly the application, when read together, is only a statement that no one else has the right to use the words upon straight whiskey. We have expressed our opinion that a trade-mark can not be so limited; but we see no reason why an applicant may not, if he wishes, confine his registration and its effect to such classes or sub-classes of the article "of the same descriptive properties" as he may select,* or why he thereby necessarily abandons such rights as he may have to the use of the mark upon other sub-classes of the same article. It is true that the jurisdiction in this case depends upon this registration; but the decree sought is confined strictly within the limitations of the registration, viz, it affects straight whiskey only; and it is no concern of defendants if the registration might have been broader.

The application, obviously, did not state the whole truth regarding the mark, but as far as it stated anything in this respect, it was carefully accurate. It claimed only that exclusive right of use which remained unimpaired by the Hellman decree.

It is also said that the registration was fraudulent because the Hellmans' well-known interests were, by silence, concealed, whereby they were not summoned as adverse claimants, and lost their chance to be heard. The registration statute contemplates that adverse claimants, when known, shall have notice and an opportunity to oppose. There is little reason to doubt that this application was carefully so shaped as to avoid any neces-

**Koehler v. Beeshore*, 59 Fed. 572; *Richter v. Reynolds*, 59 Fed. 577; and *Pittsburg Co. v. Diamond Co.*, 85 Fed. 637, pertain to the word itself, not to its use.

sity for such specific notice; and if the effect of the registration was to take away any right of use which the Hellmans actually owned, it might well be that any intentional failure to disclose facts which might give another the right to be heard, would be fatal to the proceeding; but with due regard for the limited effect of the registration, there is no occasion for so strict a rule in determining "when the certificate is fraudulently obtained". Whatever new rights, of evidence or of forum, plaintiff was getting were confined to its trade-mark used upon straight whiskey; in that use, the Hellmans had no concern. Their failure to receive notice impaired no right of theirs; and it follows that the deliberate limitation and shaping of the registration so as to avoid conflict with their claims was not fraudulent, as against them or as against the public.

We think the plaintiff was entitled to an injunction against the continuance of what defendants were doing, viz, using the names "Crow" or "Old Crow" in connection with straight whiskey not made by plaintiff. Extending the injunction in the broad terms of the prayer of the bill might not only cause confusion with rights secured by the Eighth Circuit decree, but might go beyond our jurisdiction in this case. That jurisdiction is confined to protecting the class of merchandise specified in the certificate of registration, "straight Bourbon or rye whiskey"; and, if, upon the principles herein declared, plaintiff would be entitled to any broader measure of relief, this limitation of the injunction will not prejudice proceedings therefor in a court whose jurisdiction does not depend solely upon the registration. The difficulty of distinguishing between the results

of defendants' wrongful use of these names as compared with the results of a rightful use make the case inappropriate for an accounting (*Ludington Co. v. Leonard*—C. C. A. 2—127 Fed. 155, 157). The decree below is reversed with costs, and the case is remanded for the entry of a new decree consistent with this opinion.

**THE OPINION OF THE SIXTH CIRCUIT COURT
OF APPEALS DENYING MOTION FOR
REHEARING.**

(*W. A. Gaines & Co. v. Rock Spring Distilling Co.*,
226 Fed. 543, 141 C. C. A. 299 [Rec., p. 1053].).

An application for rehearing points out certain supposed errors in the opinion, and their existence and effect should be considered:

(a) We assumed that the distinctions between straight whiskey and blended whiskey and their attendant market conditions had existed substantially as at present, from the commencement of the period under consideration. Undoubtedly, this assumption somewhat colors the discussion in the opinion. This assumption is now said to be wrong, and our attention is directed to the decision of President Taft in the controversy arising under the Pure Food Law, and to its recital of facts in the trade history. This recital shows that prior to the Civil War, the greater part of all whiskey sold in the usual retail methods had been, in different ways, purified and refined after leaving the original distiller, and had also been artificially colored and flavored—all by the methods then or later known as rectifying and blending. Only at about the time of the Civil War was it discovered

that whiskey, by aging in charred barrels, could be satisfactorily refined and colored, and, in a sense, flavored, without any secondary treatment. Thus and then, what is now called "straight" whiskey first came into existence.

Upon a review of the opinion, we can not see that its conclusions are seriously affected by this correction of our misapprehension. The sales of "Old Crow" whiskey made before 1865 by the predecessors of Gaines & Company would have been more largely to rectifiers and less to the consumer than we had assumed would be natural, and so much reputation as the name had would be more among rectifiers and less among the users; but this is only a matter of degree; it comes to saying that the standing and reputation which grew up with the name were more local and less widespread than would have resulted under present-day conditions; and correcting this matter of degree according to the fact will bring no different result. Even if up to a given date, say 1867, rectifiers had been the sole purchasers of the distillery product and had been the only class to whom the product was known as "Crow" or "Old Crow", this would not subject the growth and development of the trade-mark right to any different principles.

(*b*) The opinion, in a note, refers to the use by the Hellmans of the brand "J. Crow, Paris, Ky." This particular brand was in fact not used by the Hellmans, but by another rectifier in St. Louis. It may be noted, also, that at the same time (in the sixties) a Cincinnati house was marking some of its output "Crow".

This correction, and its resulting inferences, do not help the Hellman case. If it is improbable that such

a name as "Crow" was adopted by one rectifier merely by chance, it is rather incredible that each of three rectifiers, in communities where Kentucky whiskeys came to market, fortuitously hit on the same unusual trade-mark; and to find that in 1865 three dealers were using a name which had become at least somewhat known in a nearby center of original production many years before, confirms the conviction that the name must have acquired reputation enough to make it worth taking, or else that it had become at that time indicative of a class or type of product.*

(c) It is said we were in error in assuming that "Old Crow" had anything to do with the age of the whiskey, but that, in fact, this word refers only to the age of the man, Crow. This may be so; but the same mistake would have been natural in the sixties to those who heard the name but did not know of the man; and as to its effect on the trade-mark development discussed in the opinion, it would not be important whether the natural inference that "Old Crow" implied age in the whiskey was the right or the wrong inference.

The petition assures us that there was no "implication of age in applying 'Old Crow' to the Hellmans' blended whiskey", and that it was used as "Old Hickory" might have been. If so, the reference was to an individual; and as no man of this name or so-called appears ever to have been known, except the Gaines Creek James Crow, it would follow that the Hellman use must have been fraudulent.

*The latter seems to be the interpretation expressly adopted by the Eighth Circuit opinion in saying that the Hellmans at this period "employed these words as descriptive terms". (161 Fed., at p. 502.)

(*d*) The opinion is criticized because we hesitated to accept, at its face value, the Hellman testimony regarding the extent of their Old Crow sales, the use of their advertising signs, etc., before 1867. There is a considerable volume of this testimony, but it consists almost wholly of unaided recollections of dates forty years old—and it is that class of testimony which, by decisions familiar in patent cases, the Supreme Court has refused to accept. True, there is in a trade-mark case no initial presumption of validity to be overcome, but the principles for determining the evidential value of testimony can not differ according to the subject matter of the case.

(*e*) The petition points out that the opinion, after stating that the Hellmans appealed from the St. Louis decree dismissing their cross-bill asking affirmative relief, then erroneously states that they dropped this appeal “whereby, whatever adjudication was carried by such dismissal, became final”. The facts are that the decree below directed an injunction against the Hellmans on the original bill and the dismissal of their cross-bill; that they appealed from each portion of the decree; that in the Court of Appeals their counsel announced that they would not ask affirmative relief, and the Court of Appeals did not consider that subject; and that the decree below was reversed and a new decree was entered below simply dismissing the bill. It is not of controlling importance in what technical situation this final dismissal left the rights claimed by the cross-bill. The persuasive thing is that the Hellmans abandoned any claim to relief on the theory that they had any trade-mark; and it is this conduct that helps to interpret the Eighth Circuit litigation and tends to support our conclusion that

